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DISTRIBUTION AND WAREHOUSING



The Business Paper of the Warehouse Industry

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Announcing—

The 1929 Warehouse Directory

*Investment and Space Area Figures Will Be Eliminated from Listings
in Next Year's Book Unless Information Sheets Have Been Notaried*

THE publishers of the annual Warehouse Directory—the standard reference volume of the public storage industry and of the national distributors who route their products through commercial warehouses—have begun the task of compiling the 1929 edition, which will appear as part of the January, 1929, issue of *Distribution and Warehousing*. In September the thousands of warehousemen throughout the United States and Canada, and many in foreign countries, will begin receiving the Information Sheets which, properly signed and promptly returned, will enable the firms to be comprehensively listed—without any cost whatsoever—in next year's Directory.

Three new features will make the 1929 Warehouse Directory more valuable to Business America than any previous edition. They are:

1. The boldface Star—thus:★—appearing after a company's name will take on added significance.
2. The Foreign Section will be expanded.
3. The Directory will have a more durable cover.

The Star

AS national distributors and storage executives know, the Star indicates that a responsible officer has signed the Information Sheet in the presence of a notary—that he has made an affidavit that the data and figures set down are to his knowledge true.

Hitherto the Directory has carried *un-Starred* listings when companies have not returned sworn-to Information Sheets—the absence of the Star informing the consultant that the information in such listings was not notaried.

This policy will be continued in the 1929 Directory—but with this important difference:

In the new Directory, investment figures and space

areas (square feet for merchandise and household goods firms and cubic feet for cold storage concerns) will be eliminated from the listings of all companies which have not had their Information Sheets sworn to before notaries.

At first glance this step may appear to be a radical one. It is an essential one, however, and is made in the interest of accuracy. Misstatements and untruths in listings detract from the value of the Directory—and the publishers have learned from long experience that erroneous information is often submitted by companies' employees to whom had been assigned the task of filling in the questionnaires.

The Directory is so constantly consulted, the year round, by distributors and warehousemen, that it is important that each Information Sheet be handled by a company's responsible executive before being returned. The distribution world depends on the Directory for accuracy. The Star system tends to assure that accuracy—and the present development of the Star system to affect investment and area figures will make the Directory even more dependable than before.

Summarized: Unless the 1929 Information Sheet is accompanied by an affidavit—space for which is provided on every sheet—the listing in next year's Directory will not contain the company's investment and space area figures.

It may be stated here that the suggestion thus to expand the Star system was made to *Distribution and Warehousing* by one of the industry's leading warehouse executives—a man who has been successful in his business and who has served as the president of one of the industry's State associations. Moreover, the suggestion has been indorsed by scores of leading storage execu-

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Public Warehousing and Economic Distribution

Number 42

The Department Store's Buying Program. The "Returned Goods Evil"

By H. A. HARING

THE department store, almost without exception, has its own warehouse. In the smaller cities these warehouses are not always separate buildings. They may be the upper floors of the store building or half floors on the dark side of that building. In the more important cities, however, a modern department store operates its own warehouse—this being, in many instances, as large in floor space as the store itself. By erecting a building for storing its goods, packing and shipping and delivering, together with workshops and the garage, a department store can afford the investment of a modern plant.

Department store warehouses, like most other phases of business, have undergone deep changes since 1921-1922. Deeper, too, than the changes, have been the "cost studies" of warehousing on the part of department store managements.

For department stores this slogan has always been uppermost: "Keep down the expense!". For therein

lies the profit. Much emphasis in the past has been laid on the buying program, for, until the great chain store development, the department stores were able to make a part of their profits through "better buying"—a term that, with them, meant "buying at lower prices." Department stores compelled the manufacturers to sell to them at jobbers' prices, often at a discount under these prices and even more often with allowances for advertising and sales promotion that amounted to another 5 per cent.

The buying program has, therefore, been a big factor in department store management. It will so continue. Yet the many cost studies of store management that have been forced upon owners by the competitive conditions of the past seven years have made it plain that the buying program can not be expected to earn all the profits.

To "keep down the expense" has taken on a new significance.

Bulging Walls

THE problem of the department store's warehouse is much like that of the store itself. No matter how great the capacity, growth is so rapid that in a year or two the facilities are cramped. In the store, gangs of carpenters seem never to quit. Each month sees alterations in progress, all to the same end—namely, to afford greater selling spaces for merchandise. The office partitions are moved to make room for counters; the offices are bodily transferred to a half-floor, or mezzanine, so as to get them off the "floors"; unused basement and top-floor spaces are transformed into sales departments; street windows are narrowed four or five feet in order to accommodate one more counter within the store.

In the warehouse, steel bins displace wooden shelves for the sake of the few inches to be gained. Nicely planned "systems" for keeping goods of one class

together, arranged to correspond with sales departments in the store, are scrapped. New lots of goods are thrust into any spot where the pile spaces will take in a packing case. This condition was characterized by the warehouse manager of a Cleveland department store when he said:

"My boys spend half their time running up and down the elevators to pick up small lots that ought to stand all together in one bay. This house was laid out with a certain number of bays for each sales department over on Euclid Avenue. That's all higher than a kite, now. I'm storing neckties on top of refrigerators; I have kiddie carts in the garage and washing machines suspended from the ceiling in two packing rooms; I have half a carload of carpet in my own office, another half in the aisle from the office to the drivers' room, and two more carloads scattered all over the place; and tomorrow we'll have to un-

load four cars for the annual muslin sale next month. Where I'll put that stuff is more than I know."

The time was, too, when the store had ample space under its own roof for store furniture, display equipment, etc. There was also room for repairing merchandise, finishing and upholstering, garment altering, etc. All these, and a score of other facilities, have, however, been forced away from the store because of the tremendous pressure for selling space. With the sales space there is no alternative: it must be within the store. Other facilities and working spaces may be carried outside the store building because they are not "convenience" facilities for customers.

All this separation of departments and facilities adds to delays in handling the business. It adds to the cost of doing business: over-seeing requires more managers, goods suffer more damage and "accidents" in being carried

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through the streets from one building to another; opportunities for pilferage are multiplied; trucking and delivery costs increase rapidly.

And, as would be quite natural, these expelled facilities have been transferred to the store's warehouse. Thus warehouse space has been curtailed, and the warehouse has become a sort of store annex—used for everything but storing merchandise. In particular has the storing of store furniture, display equipment, counters and aisle tables (reserved for special sales and the December trade) swallowed up the available warehouse floor space.

Many department stores, too, have discontinued their restaurants in order to save the space for merchandise, but, in doing this, they have been uncertain of the results. Many of them fear that the closing of the restaurant will injure sales, because of not attracting to the store husbands who come for lunch, or the chance passer-by who is attracted by good food to enter the sort of store he might never visit. The department stores, therefore, have not dared to dispose of their kitchen ranges and cooking equipment, nor of the table dishes and dining-room furniture. They look on a discontinued restaurant as possibly a temporary measure—an experiment. Therefore, in department store warehouses up and down the country, one will find a whole floor usurped by the store's restaurant "that was."

Over-Stocks Disrupt Control

THE result is that department store warehouses are cramped for space. Needless to add, their costs for handling in and out of store are made higher from this condition. Economy of tiering is impossible. Double handling and irregular "locating" in the house are costly.

The inventory system falls down.

As a "signal" for low stocks, the department stores attach a red tag at a certain point in the pile of reserve stocks. If, for illustration, the store finds that a reorder is necessary when stocks get down to two cases, a red tag is attached to the top of the second case from bottom of the pile in warehouse. When this case is opened or requisitioned for the retail store, the red tag is sent to the purchasing agent's office. It is a "signal" that time has come for a re-order of the goods.

But, when a stock of goods is scattered in half a dozen places in the warehouse, such a method falls down utterly. When the red "signal" tag is encountered by the warehouse helper it may not mean that the last of stock on hand has been reached. Dozens of cases may be at other places in the warehouse, and, on the other hand, the red tag may not be brought to light until the reorder

point has long been passed. The whole system of perpetual inventory and control of stores breaks down, unless reserve stocks can be kept in one place and in one pile. For the department stores, this loss of control of merchandise is most serious. It upsets the rate of stock turn, because dead inventories pile up and it is impossible to turn the stock once a month if no one knows how much stock is in store and even the warehouse manager does not know where it stands.

Department stores, for another matter, wish they could change the location of their warehouses. In most cities these warehouses are on side streets not far from the stores. Convenience dictated the location, that convenience being thought of as inter-communication between warehouse and store. Little thought was given to getting goods from railroads to warehouse. But, as the years move on and trucking costs mount, department stores on all hands complain of the cost of unloading their incoming merchandise and getting it into stores. For most of them the warehouse location is not economical.

Now they face the enlargement of those warehouses.

Shall bigger warehouses be built close to the store? Or shall new locations be sought with proper railroad sidings?

One can see the dilemma. Stores are cramped for room. Additional room is obtained by expelling departments and putting them into the warehouse. If the warehouse is to be built bigger, where it now stands, trucking and handling costs will go on rising forever. If, on the contrary, the warehouse be re-located where it ought to stand, close to the railroads, all the store facilities in the warehouse building will be operated at higher costs and greater inconvenience to the management.

The Buying Program of Stores

THE buying program of department stores plays its part in this question.

The department stores, or at least the better ones, long enjoyed the reputation of being cash buyers. They also were in position to accept large quantities of goods.

"Distress merchandise" therefore was first offered to them. When a factory would see financial difficulties ahead, or when bankruptcy did come and a trustee took hold, the natural recourse was to find some single large buyer for all the stock on hand. The same situation arises every time changes of design render the old design obsolete. Radios are regularly dumped through the department stores; so are refrigerators, millends, shoes, phonographs, dress patterns, everything in fact.

In 1927 a southern furniture factory fell into difficulties. What happened is an example of what occurs every week.

One New York department store bought, at bankruptcy sale, the entire stock of manufactured and semi-manufactured furniture. It was shipped into New York City—409 carloads of it.

Buyers for the American department stores scour the markets of the world for stocks of this sort. It is nothing unusual for such a buyer to take up fabulous quantities of rugs, or china, or "mode" furniture, or fabrics and to ship them to this country. At one time one of the five-and-ten chains imported such a purchase of chinaware, from Japan, that was estimated to equal 1500 carloads. It did not reach the American ports in a single shipment, because no steamer could transport such a quantity, but it did all arrive within six months.

For, of late years, the chain stores have entered the market for distress goods as competitors of the department stores. Chains, today, are no longer limited to the five-and-ten price range. They, too, can dispose of quality merchandise and merchandise that sells for a high price.

So great is the business of distress merchandise that, in the cities, brokers make it their sole business to move these stocks into consumption. And, in order that the broker shall not lack goods to move, factories operate to produce distress goods! In other words, much of it is not "distress" at all. It is nothing but huge quantities of a single article, manufactured for the purpose of giving department stores and chains an excuse for a "sale."

Whatever the origin of the goods, the buying program remains the same. Department stores buy under two main programs:

(1) Staple and current goods are bought under a control system that thinks every minute of stock turnover. Goods are stocked only for two or three weeks; fresh stocks are coming in every week, with the purpose of turning the investment once a month or better. The owner of Macy's recently testified at Washington that, for a New York store such as theirs, millinery three weeks old is "old style" and is cleared off with a "sale."

(2) But another class of goods is bought far in advance of need because the price allows a "long profit." The 409 carloads of furniture already mentioned is, at this writing, unsold, although it was bought eleven months ago! Not a piece of it has been transferred from warehouse to the store! With this type of buying, goods are purchased when they come into the market, the price being so attractive that enough profit will be realized to carry the goods for some months and enough also to offset the usual rule of quick turnover of the stock.

For this second class of goods the department store requires ample ware-

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house facilities. To take into store ten carloads at a time does not embarrass the ordinary city department store. A hundred carloads is a different matter.

Now that the chain stores have entered the field of our merchandising with their aggressive buying methods, they and the department stores working together have opened a new sort of manufacturing for this country—the factory that makes up goods in quantity for these quantity buyers. Whenever a mishap occurs—rejection of goods, quarrel between factory and buyer, financial failure either of buyer or of factory, over-production whether accidental or purposely, style changes—huge lots of the goods come suddenly into the market, to be offered through brokers to that buyer, department or chain, that will pay the highest price and pay over the cash at once. Conditions of this sort mean sacrifice of ordinary market prices, as we have seen.

The purchaser, however, must be in position to take in the goods at once in all their bulk.

Under circumstances of this sort department stores extend their ordinary warehouse facilities by recourse to the public warehouse, using its spaces as flexible additions to their own. It is the natural thing to do.

The public warehouse supplements private storage the world over.

Bulky Goods

THE department store's buying program for staple and current goods does not demand surplus space, except for bulky goods. These are, of course, the goods first crowded out of the warehouse when space is limited, or when other departments of the store are brought into the warehouse building.

Chief of these bulky products is furniture. Close to furniture comes the list of articles that go with furniture, such as stoves, kitchen cabinets, refrigerators, screen doors, garden and porch swings, clothes baskets and hampers and baskets of all sorts, kitchen utensils, ironing table, clothes racks, lawn mowers and other garden tools, watering cans, bird baths, bird cages and bird baskets, floor reading lamps, etc.

Allied with these products are the upholstery work, refinishing and polishing, etc. These processes introduce the element of fire risk—being manufacturing operations with hazards of peculiar sort. The department stores find, therefore, that the insurance rate for their entire warehouse may be kept low by taking furniture, and the work that goes with it, into a public warehouse, where fire walls give protection.

Articles of this sort never enter the department store itself. Sales are made from floor samples, but delivery is made from warehouse stock, many times with-

out uncrating the article, because delivery is made by shipment over railroad or via truck rather than by the store's delivery system. A "furniture sale" of a great department store brings customers from the whole United States, whose purchases are necessarily delivered by the railroads.

One New York department store, for its furniture sale of 1927, reports to me that 15 per cent of the furniture sold was delivered by freight. More interesting yet is it to be told that 35 per cent of the goods sold were never in New York City. They got no closer to Manhattan than New Jersey, where, from public storage, the goods were either delivered by the store's trucks or were re-shipped by rail. Another New York store reports to me that during May, 1928, they handled 41 carloads of gardening tools and equipment, through public warehouses, that did not enter the city. In this instance stocks were warehoused in New Jersey and on Long Island (Brooklyn waterfront warehouses) and were trans-shipped from the warehouses, although every article was sold from the floor of the store in New York.

A Pittsburgh department store two years ago made a favorable purchase of clothes baskets, hampers and willow tables, baskets, etc. More than 50 carloads of bulk were included in the lot; but, of that total, "less than ten carloads ever saw the streets of Pittsburgh," according to my information. "Our own warehouse was too small to handle the goods. They all went to The _____ Storage Co. When the sale went on we put a crew down at the warehouse to do the labeling and make out bills-of-lading, but the warehouse did the rest: shipping them into nine States."

So important has this supplemental warehousing become to the department stores that I know three warehouses which have a man apiece to do nothing but solicit business from department stores; I am told by one warehouseman that his house has accounts with 40 department stores, some of them a thousand miles away! One New York department store reports that it regularly carries stock with eight public warehouses (two in New York, two more in Greater New York, four elsewhere) and a Chicago store goes this one better by having nine warehouse connections. Both, of course, operate their own warehouses close to their stores, in addition to this use of public warehouses.

Returned Goods

WE are now considering returned goods as returned by the department store to the factory or other source—not the return of goods by customers who order on approval, etc.

Many cases occur where department stores reject goods. Quality may be not in accordance with specifications; over-

shipment may have been made; shipment may come after the order has been cancelled; substitution may have been made by the factory; shipment may be received a month or two ahead of scheduled delivery; delivery may be made after a scheduled, and advertised, "sale" and thus the goods be unsuited for the store's purposes.

Department stores have become rather arbitrary under such circumstances. Well do they know the costs and expenses of handling goods in and out, and, of late years, they know also the indirect expenses of providing warehouse space for goods temporarily.

One metropolitan department store tells of an effective method to protect itself from over-shipment or substitution. The manager says:

"Without any hesitation we store every shipment of unordered goods and every overshipment with a public warehouse. That's what the railroads do with unclaimed freight. Storage space costs us money; every bit of handling costs more; we do not propose to run up these expenses for wrong stuff. We use a printed form to notify the shipper. That form tells him where to go for his goods. We store them in his name and at his risk. It's his job to pay the charges, and make his own arrangements for future handling. We do not even ask for a credit memo for the goods. We return the invoice for correction, with notice that we shall figure our discounts from the actual date of the corrected billing—that we do in order to avoid any legal constructive proof that the goods were ever in our possession."

As one would expect, second offenders with this department store are rare. Yet, during the early months of 1927, according to this same manager, "our records show that we had 271 'warehouse lots' as we call them; and only four of them ever came back to the store." Among these "warehouse lots" of rejected goods were: one lot of three carloads of furniture, another of a carload of refrigerators, another of two carloads of hampers and baskets (later accepted by the store), eight lots of sheet music, five lots of phonograph records and more than 100 lots of furs and garments.

Taking a lesson from the Detroit automobile factories, the department stores do no temporizing when it comes to rejected goods. All the former ways of accepting them, entering into correspondence about differences and then ending the disagreement by a "compromise," seem to be gone. A modern department store accepts the goods if they can be used—that is, sold at a profit—and if they can not be used, a price concession will not help their acceptance. The fact that these present years are a buyer's market tends to make department stores possibly more arbitrary, and yet the fact

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Here's the story of

What the N.F.W.A. Accomplished at the French Lick Convention

By KENT B. STILES

STORAGE executives who attended the ninth semi-annual meeting and summer outing of the National Furniture Warehousemen's Association at French Lick Springs, Ind., July 13-17, were generally in agreement upon adjournment that the gathering had been worthwhile. Constructive action was taken along a number of lines in the work of promoting higher standards among the companies engaged in the household goods branch of the industry. Standard loss and damage rules were adopted; the directors of the Allied Van Lines, Inc., the association's new inter-city removals agency, placed the latter on an operating basis through election of officers and extension of territory; and progress was made with relation to insurance, fumigation, advertising, legislation and other problems.

What the Allied Van Lines directors did was set down in detail in the August issue of *Distribution and Warehousing*. On these pages this month is published a synopsis of the other convention features.

With the election of fifteen more companies by the National's board of directors at the French Lick meeting, the association now has a membership of 853. It was announced that the winter convention will be held in Del Monte, Cal., on Jan. 18-22.

Here are the high lights of the National's summer assembly, held in the French Lick Springs Hotel:

Officers' Reports

FOLLOWING roll call and introduction of members, William I. Ford, Dallas, the president, read his report, in which he alluded to the psychology that Presidential year "makes for what is commonly known as a bad business year." He said:

"This may be only psychological. . . . To me there appears no good reason why business should not go forward, whether we elect a blacksmith from Iowa or a truck driver from the sidewalks of New York, because it is recognized that in each of these two outstanding Americans there is a sanity of purpose to conserve all that is good and spurn all that is evil in our public everyday life. Business as business is known to be favorably respected by each of the tickets put forth by the two great parties and, in so far as my information and reports go, business in our association has been moving along apparently normal."

"It could hardly be expected in our line of business that the rush of post-war years could continue, because during that period housing facilities were wholly inadequate; business conditions were unsettled; personnel had been torn to pieces, and many changes were im-

minent, and being made. This, in itself, produced great activity in our particular line of business, and many of us are not yet adjusted to the normal condition which has obtained through the past two years.

"There is nothing the matter with our business. People are going ahead in their every day pursuits, making the average number of changes; house to house moving is normal; and removals from city to city are increasing, and our business can truthfully be said to be where we must recognize that it is likely to stay for a long time. If, under these circumstances, it is not satisfactory, it will behoove those who are not pleased to look carefully into their affairs, and decide whether they will continue and adapt themselves to present conditions, or make other arrangements for a livelihood."

Mr. Ford sketched briefly the events leading up to the forming of the Allied Van Lines, Inc., which he declared to be a corporation without parallel anywhere. After discussing the code of practice, he commented:

"In all lines of business there is a percentage of failures. The records of our association do not disclose that during the period which we have just

been talking about that there has been a financial failure in our membership. This certainly of itself speaks well enough for the industry in which we are engaged, and if there are those who are dissatisfied with their business and are uncertain as to what the future holds, let them be encouraged, for has not the son of a truckman become the leader of a great party?"

Ralph J. Wood, Chicago, secretary, read telegrams of good wishes from the Furniture Warehousemen & Removers' Association of Great Britain, Ltd.; William T. Bostwick, New York, secretary of the New York F. W. A.; Benjamin S. Hurwitz, Houston; John L. Wilkinson, Charlotte, N. C., and G. A. Wright, Marion, Ohio.

In his report Mr. Wood said that experience and observance had led him to believe that business conditions thus far in the year had shown a slight improvement over 1927 "but not to the extent that we would wish." He added:

"The past two years have seen a decided depression in our particular line and, in view of that, it is deplorable that poor business and depleted storage revenue should bring on an era of price cutting, but such seems to be the fact in many localities."



1. C. A. Moore, Bridgeport, Conn.; E. P. Martin, Wooster, Ohio; E. M. Bond, Nashville, Tenn.; W. C. Burbank, Warren, Ohio. 2 G. A. Julin, Chicago; Z. L. Travis, Steubenville, Ohio; B. C. Hubbard, Grand Rapids, Mich. 3. F. B. Cramer, Los Angeles; V. F. Pennell, Newark, N. J.; Harry G. Johansing, Los Angeles; William Pickard, Toronto. 4. P. M. Stevens and Julian M. Gibson, St. Louis; Wilson V. Little, Chicago, executive secretary merchandise division American Warehousemen's Association; P. A. Britton, Chicago. 5. William I. Ford, Dallas, president of the National Furniture Warehousemen's Association. 6. Judson M. Davis, Los Angeles; James F. Keenan, Pittsburgh, N.F.W.A. treasurer; Charles E. Ware, Evanston, Ill. 7. Henry Reimers, Chicago, N.F.W.A. executive secretary. 8. Dick Walker, Memphis, said to be the National's youngest member. 9. James A. Walker, Memphis, N.F.W.A. southern divisional vice-president. 10. George E. Turner, Denver. 11. Barrett C. Gilbert, New York, eastern division vice-president of Allied Van Lines, Inc.

"We have had it 'dinged' into our ears that during a business depression we should stand together firmly for the proper rate, but I assume that those two old men of the sea, Mortgage and Interest, insisting upon their pound of flesh, cause more or less backsiding among some of our brothers. The slogan seems to be 'Get the business at any price' in some sections of the country, with the result that the public has become a shopping public. Price, not service, seems to be the vogue."

The secretary alluded to AVLInc as "the biggest thing the association has ever attempted."

Henry Reimers, Chicago, in his report as executive secretary declared that business was not so good but that was no reason for pessimism.

"Rather," he went on, "it is our method of meeting bad conditions that might be a cause for pessimism. Our industry is at a rather critical stage.

It is a time when individual weaknesses may wreak havoc. . . . In some sections there has been thought of quitting and going it alone, which is contributing to pessimism. Instead of doing this, we should try to meet the situation with a feasible and practicable remedy.

"Ours is not the only industry with some pressure in the offing. Intensive competition has forced large and small operators to certain price selling, and we, not to be outdone, are attempting to take our place among such leaders. Firms that condemn tactics of pitting competitor against competitor in order to hammer the price to bed rock, send out their own buyers for the same purpose.

"We are not commodity dealers and have not the same reason to enter into such a fray waged by other industries; naturally we feel the reaction, and when business is not so active, we are particularly receptive. Certainly we should

muster all our common sense and refuse to be carried away with a passion that is a menace to our future. We are distinct from most businesses in that we are not heavy buyers of merchandise, nor do we sell it. The quantity of merchandise purchased plays but a small role in the service we sell. New business cannot be created extensively by volume selling methods. The idea of developing business through price competition is borrowed from others, without rhyme or reason."

Alluding to the code of practice, Mr. Reimers commented:

"It is the tendency of business to seek Government regulation for relief. Government regulation leads to Government operation of business and stifles individual initiative indispensable to business progress. Government operation lacks imagination and originality. It never creates anything except jobs. On the other hand, government in busi-

ness is necessary—yes, self-government, not political. This is the job of the association. Are we filling our job or do we find ourselves lacking in self-government?

"Of vital importance in the development of self-government is the outlawing of unbusinesslike, unprofitable and dishonorable practices. The first step is to define undesirable usages. This the National association has done in the code of practice approved at the Hollywood 1928 meeting."

With relation to price cutting Mr. Reimers said:

"Under no circumstances must we resort to price or bargain selling. We must, however, be most careful that our prices are properly based. Maybe the high cost of packing is driving business to the second-hand man. We drove long distance hauling away from us by attempts to get exorbitant prices, laboring under the impression local moving service was extending and no consideration given to developing return loads. We lost sight of the fact that long distance moving is transportation taken from the railroads by the motor truck, and that its development should be along transportation lines. This fact is now recognized, consequently we have the Allied Van Lines.

"The Allied Van Lines fittingly illustrate the function of a trade association. . . . Members are unable individually to meet long distance motor transportation competition for the reason that a national product cannot be sold by isolated individuals. Here is where your association comes in.

"Maybe your association should be

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utilized for other economic developments. Possibly local associations can likewise meet certain economic needs locally. Maybe packing should be centralized in some cities, owing to the burden of maintaining elaborate packing departments, for which there is a limited demand. It is possible that such centralized packing departments could pack goods more economically and could develop other markets for packing service. It might also be an economic move to centralize local moving in certain cities, have cooperative auction places for unclaimed furniture, etc."

Regional Conditions

AS eastern divisional vice-president, C. J. Hamilton, Baltimore, reported business indicating a slight improvement during the previous six months, with a few exceptions. He said there was a tendency in some localities to cut rates, but on the other hand New York had put through an increase. "It seems to be a recognized fact," he added, "that the packing business is well-nigh past resurrection, as all localities report a considerable decline. Unquestionably long distance moving seems to have supplanted this service. Labor seems to be in quite a satisfactory state, being plentiful in all sections." Seeking a solution for price cutting when conditions are bad, Mr. Hamilton asked:

"Would it be practical and feasible and could worthwhile results be obtained if the members of the eastern division selected a committee to be known probably as a better business committee consisting of not less than one member from each State, to be augmented when

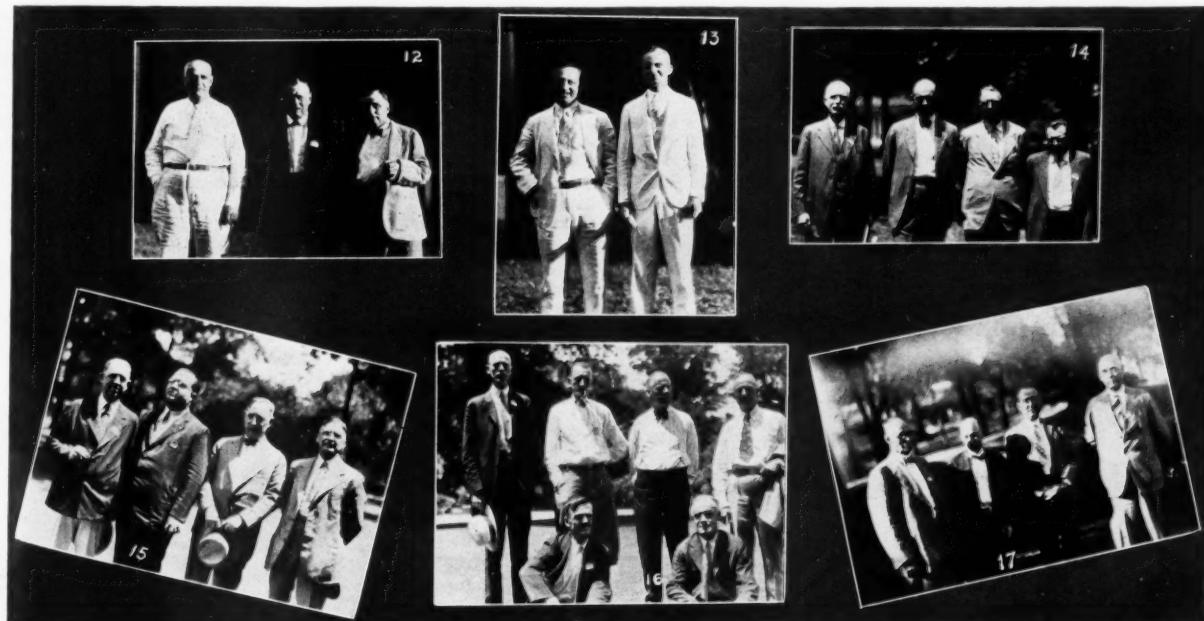
conditions and membership warrant it?"

"This committee," he explained, "could easily be selected from the various local associations, its purpose would be to meet when advisable and it could function along the lines of studying and analyzing business conditions and consider recommendations to members. With a representative committee I believe the effort would be worth while."

James M. Walker, Memphis, in his report as southern divisional vice-president paid tribute to Ernest M. Chadwell and Sydney M. Green, Jr., of Nashville, for their efforts in building the Southern Warehousemen's Association, of which they are president and executive secretary respectively. He said the Southern had made more progress in six months than during two years previously, and declared the South was interested keenly in AVL Inc.

S. S. Davis, Chicago, as central divisional vice-president said conditions had improved somewhat. Members were getting more long-time storage but incidental sources of revenue, such as labor, packing and cartage, had dropped. He had noted an easterly movement of household goods in recent months, he reported, and the people preferred to go by motor van. The time was coming, if not already here, he declared, when warehousing must discuss long distance moving not in terms of 500 but 800 or 1000 miles. He predicted success for AVL Inc., and urged the members to look for new avenues of revenue that would develop the storage branch of the business.

The report by R. A. Chapin, Portland, Ore., as western divisional vice-



12. Bert Gilbert, Cincinnati; Albert C. Muntz, Elgin, Ill.; G. W. Golden, French Lick, Ind. 13. J. Richard Walker, Memphis; George E. Butler, New Orleans. 14. Robert R. Johnson, Bloomington, Ill.; Ernest T. Chadwell, Nashville; George C. Dintemann, St. Louis; Russell E. Hillier, Springfield, Ill. 15. J. L. Tomlinson and J. Wallace Fager, Philadelphia; W. W. Koller, Omaha; Ed. Geiger, Evansville, Ind. 16. (Standing) Frank Orcutt, St. Louis; Clarence O. Gray, Cleveland; Grant Orth, Pasadena; Arthur Neal, Cleveland. (Seated) G. R. Turner, Minneapolis; William H. Turner, Cleveland. 17. R. G. Taylor, Chicago; H. M. Powell, Louisville; Joseph Ardapple, Lafayette, Ind.; W. T. Callahan, Miami.



Floyd L. Bateman, Chicago; Ralph J. Wood, Chicago, secretary; William I. Ford, Dallas, president; H. E. Seanor, author of the long distance removals story beginning on page 28; William R. Palmer, New Haven, Conn.; S. S. David, Chicago, central divisional vice-president; M. R. Mathews, Charleston, W. Va.; R. A. Weicker, Oklahoma City; W. D. Leet, western manager of "Distribution and Warehousing"; J. J. Miller, Detroit.

president was read by Mr. Reimers. Business compared favorably, if not a shade better, with 1927, Mr. Chapin sent word, with members in small towns faring better than those in the cities. Collections were poor, making money scarce. The public was shopping. There was an over-supply of facilities in Los Angeles. Local moving and packing had shown a decrease. San Francisco warehouses were about 70 per cent occupied. Storage had dropped in the northwestern cities and packing also. The public was eager to ship by van and AVL Inc. was being watched with interest by members in the western cities. Concluding, he declared there was nothing in Presidential year to cause alarm and that 1928 business should measure up to last year's.

Liability

AT the first evening session Nathan L. Goodman, Bayonne, N. J., led discussion of "To What Extent Should We Guarantee Service?" Citing many things for which the warehouseman assumes liability, he questioned whether many of them should come under the head of this service.

The talk led to consideration of insurance in this connection and it was disclosed that the association's president, Mr. Ford, places a blanket coverage on all goods in his warehouse, guaranteeing against loss by fire, though he does not advertise it and the customer does not know that it is written and it is not mentioned in the warehouse receipt. In reply to a question, Mr. Ford said it was a service to customers and a protection both to his company and its pa-

trons. He said this had been his policy longer than a year.

During further discussion of liability, Mr. Ford pointed out that merchandise warehousemen had for years been taking full responsibility and he believed the household goods men should also. Ralph J. Wood emphasized that merchandise had a known value whereas household goods had largely often only a sentimental value. Mr. Ford predicted:

"I say without fear of contradiction that within a few years every warehouseman is going to be held responsible for all loss and damage in the warehouse regardless of whose negligence."

Daniel P. Bray, Kansas City, moved that the problem of assumption of liability for fire be referred to the insurance committee for study, report and recommendation. This motion was adopted.

"Many warehouses are practicing demoothing," Mr. Ford pointed out. "How far shall we go? Custom makes law. Eventually warehousemen will be held liable for demoothing."

Discussion of this phase led into the legal aspects, making timely the presentation of part of the report of O. W. Kreutzer, Milwaukee, as chairman of the laws and legislation committee.

"One of the many perplexing questions that confront the warehouseman," Mr. Kreutzer said in part, "is the responsibility to his patrons for destruction or loss by fire and theft. The general rule of the law respecting the liability of the warehouseman is that he is not to be held responsible for such loss if he has exercised 'ordinary care.'

'Ordinary care' is defined as that degree of care which an ordinarily prudent person bestows upon his own property of like description under like or similar circumstances, or as that degree of care which prudent members of his trade or industry in his community customarily exercise in caring for or handling property of like value under like or similar circumstances. The rule is well settled that a warehouseman is not an insurer of property against fire or theft but is responsible for loss or injury from such causes only in case of failure on his part to exercise ordinary care. . . . The law does not permit a warehouseman to contract or stipulate with his patron that he should not be liable for damages caused by his negligence."

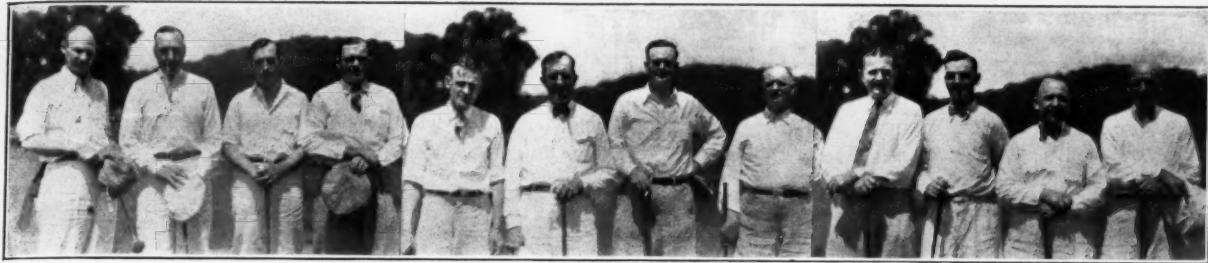
Mr. Kreutzer cited various Court decisions to sustain his points, and he voiced the warning that if one or two warehousemen in a State wrote insurance against fire, theft, etc., it might eventually be required by the Courts for all warehousemen to do likewise—that such practice would come to be recognized as custom and usage and therefore would become law.

The second day of the convention was given over to a meeting of the directors of Allied Van Lines, Inc. A report of what took place in this connection was published in detail in the August issue of *Distribution and Warehousing*. Briefly summarized here:

The directors elected Martin H. Kennelly, Chicago, president; Arthur A. Leonard, Detroit, central division vice-president; Barrett C. Gilbert, New York City, eastern division vice-president;



James Barrett, Chicago; J. S. Hackett, Chicago; Edgar F. Raseman, Kalamazoo, Mich.; John J. Joyce, Chicago; H. C. Schroeder, Indianapolis; Harry Kedney, Minneapolis; James M. Walker, Memphis; Daniel P. Bray, Kansas City; Seeburg of Chicago, Ray M. King, Syracuse, N. Y.; R. W. Greenman, Detroit.



Barrett C. Gilbert, New York; Arthur C. Reebie, Chicago; J. W. Connelly, Hartford, Conn.; Henry M. Burgeson, Los Angeles; Oliver T. Skellet, Minneapolis; William Meinke, La Porte, Ind.; Robert V. H. Work and R. V. Weicker, Denver; Harley D. Warner, Detroit; Leon R. Blodgett, Grand Rapids, Mich.; T. H. Betz, Cleveland; R. W. Pagels, Cincinnati.

Joseph H. Meyer, Chicago, treasurer, and Henry Reimers, Chicago, secretary and general manager, and these five constitute an executive committee with broad powers to act on behalf of AVL Inc., between directors' meetings. The Colorado Transfer & Warehousemen's Association was appointed AVL Inc.'s agent in that State, with the Colorado organization's members to serve as either hauling or non-hauling agents, this procedure being considered advisable because of the State's law regulating truck operation. In the Southeast the N. F. W. A. members have abandoned a tentative plan to organize a long distance removals agency and will affiliate with AVL Inc. Thus the scope of AVL Inc. was extended as far west as Colorado, and into the southeastern territory.

Loss and Damage—Publicity

AT the second evening session M. J. Murray, Chicago, led discussion of "Loss and Damage Claims" and presented on behalf of the traffic committee, of which he is chairman, a set of fifteen loss and damage rules. These were unanimously adopted as the practice of the members. They were prepared, Mr. Murray said, to enable the carriers to get the proper information for investigation of complaints. They will be published in full in *The Furniture Warehouseman*, the National's official organ.

Mr. Murray in a paper alluded to the carriers' 15-day rule on concealed damage claims, and to the ninth of the loss and damage rules, which reads: "Concealed loss or damage should be reported within 15 days after arrival of shipment at destination." He went on:

"Your committee recommends that

the 15-day limit be complied with whenever possible, and when conditions prevent claims for concealed damage being reported within the 15-day period, and should claim agent because of this delay decline the claim, then the interested member may refer the carrier to the six month time limit in the bill of lading. At times this may result in settlement. If it does not, the problem of legal action should be left to the owner's decision and depend on the amount involved."

Mr. Murray said it was expected that "before the next meeting the time limit for filing of claims will be extended to nine months," this proposal having been approved by railroad representatives and traffic organizations and being in bills introduced in Congress.

Mr. Wood announced election, by the board of directors, of fifteen more companies. These, bringing the association's membership up to 853, are set down in this month's "With the Associations" department.

The report of the membership committee, read on behalf of the chairman, John A. Groves, Kansas City, said thirty-three applications had been received since Jan. 1. "Desirable memberships are becoming scarce," Mr. Groves sent word. "We are picking out only the best."

Discussion of "Publicity" was led by Morrison C. Wood, Chicago, chairman of the committee handling that subject. Recalling that a plan for national advertising had been turned down by the members several years ago, Mr. Wood said there had been recent inquiries and expressions of opinions regarding the idea, and he declared that the industry needed some such stimulation—a cam-

paign to teach the public the economies, safety and convenience of storage and to advertise storage (not the association itself) and the members' allied services. He thought such a campaign might in some way be linked with AVL Inc., and that it would set the industry ahead ten years.

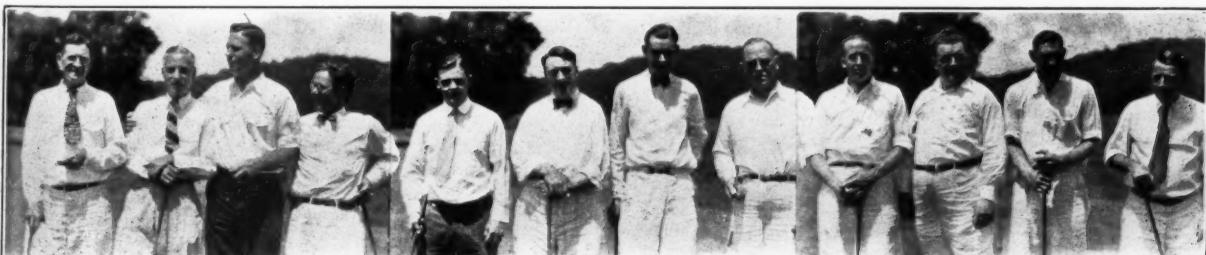
Pointing out what other national organizations had done along this line, Mr. Wood said that an appropriation of \$80,000—or less than \$100 per member per year—would "put across a corking good campaign."

Following discussion, including a suggestion by Nathan L. Goodman that the radio be utilized, Mr. Ford asked how many present felt that sentiment had changed sufficiently to indicate that the time had come "when we should work on a national campaign." Fourteen members raised hands affirmatively and thirty-two believed the time was not ripe. Many did not vote.

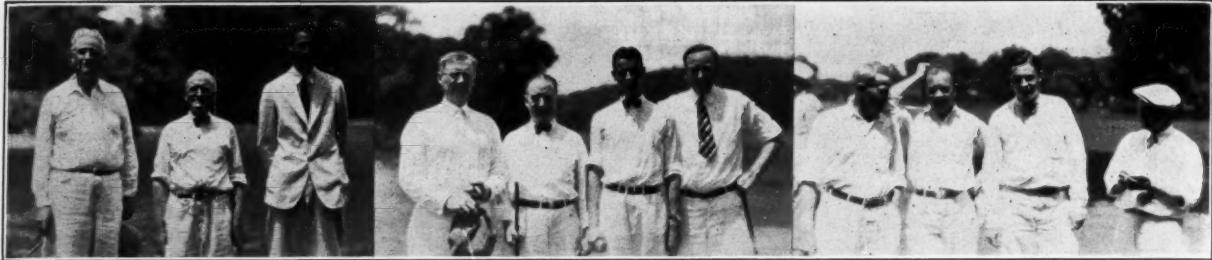
Walter E. Sweeting, Philadelphia, who was the chairman of the publicity committee which offered the original plan a few years ago, presented this theoretical proposition:

Assume that three-fourths of the members are not in favor of a national campaign but that a small group of from forty to seventy-five believe in it. The small group could advertise nationally by telling their story on two-thirds of a page, the balance of the page to include a list of the supporting members, with their business connections and addresses set down, these members paying proportionately for the space.

This, Mr. Sweeting said, should overcome the present objection by those members who had been reluctant to support any campaign in which their



R. C. Lay, Oil City, Pa.; Edward A. Murdoch, Pittsburgh; Rodney S. Sprigg, Holywood, Cal.; Ben Langan, St. Louis; W. C. Brown, Lexington, Ky.; Ernest H. Milligan, New York; B. F. Buckley, Jr., Lexington, Ky.; C. J. Hamilton, Baltimore, eastern divisional vice-president; Louis Schramm, Jr., New York; Joseph H. Meyer, Chicago; J. W. Blank, Pittsburgh; John O'Byrne, Champaign, Ill.



R. T. Blauvelt, East Orange, N. J.; Charles D. Strang, Brooklyn; R. T. Blauvelt, Jr., East Orange, N. J.; Arthur S. Blanchard, Rochester, N. Y.; Joseph W. Glenn, Buffalo; J. A. Squair, Chicago; Frederick Stanton, Chicago; K. K. Meisenbach, Dallas; Henry Reimers, Chicago; D. J. Perky, Jr., Kansas City; L. W. Hough, San Antonio.

names were not mentioned in the advertising.

Mr. Wood indorsed the idea, and Mr. Ford asked for a ballot on it, at Mr. Sweeting's request. Nine members present indicated they favor it.

Mr. Ford terminated the discussion by declaring that it was evident that the association was not ready to act favorably on a national campaign.

Estimating—Side Lines

LEADING discussion of "Packing and Estimating," K. K. Meisenbach, Dallas, alluded to the resolution which, adopted at the Charlevoix convention several years ago reads:

"That it be the policy of the members to submit propositions for packing, at customer's option, by contract or on time and material basis, discouraging approximate estimates."

Reports from Minneapolis, Birmingham and some other cities indicated, Mr. Meisenbach said, that the members there were trying to put into effect the Kansas City estimating plan, while Chicago was working on a modification of it but with members keeping on with approximate estimating with the belief that the attending evils would in time be cured. In Dallas, he said, a rate schedule had been set up and the estimators were not varying more than 10 to 15 per cent on estimates; approximate estimates were not given, but flat contract prices.

Mr. Ford asked whether the members desired to change the Charlevoix resolution. There was no comment. He urged they either stick to it or repeal it.

A motion was introduced that the association go on record as indorsing the Kansas City plan and urging its adoption

in the various cities. Opponents said the time was not ripe for such action—that the cities now trying it out should first experiment with it before the National should adopt any policy on it. The motion was thereupon withdrawn.

Sunday was a day of rest, relaxation, baseball and golf, and at the Monday morning session the presiding officer was C. J. Hamilton, eastern divisional vice-president.

S. C. Blackburn, Kansas City, led discussion of "Warehouse Side Lines," reading a paper which he had previously delivered at a convention of the Missouri Warehousemen's Association. He commented:

"Side line business with warehouse companies is new in most cities and has not been tried out a sufficient length of time to develop the profitable end of the few now practised."

Mr. Blackburn said that operation of second hand furniture departments and the handling of new furniture were apparently on the wane, but that carpet cleaning was a department that seemed to be profitable and should be a logical business for the warehouseman. He continued:

"A few companies are engaging in the chair and table rental business and it is considered by them a profitable side line. Fumigation of homes with hydrocyanic acid is a sideline undertaken by a few warehouses but I do not think many companies to date have made enough money to attract many concerns into the field. It is, however, a business which should bring a high return because of the liability assumed."

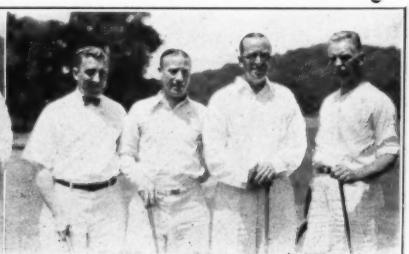
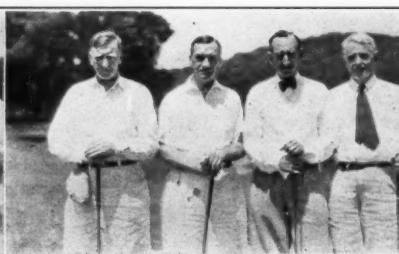
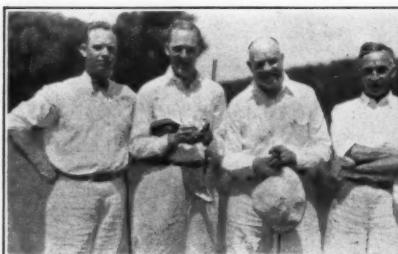
"Fumigation of furniture in either home-constructed vaults or commercial-built vaults has been more or less

successful. The business is profitable providing it is not divided up among too many companies. The idea, however, of every company having a vault is a good one, as there is no expense incurred while the vault is not in operation and it occupies only a small amount of space.

"I think the time is here when most companies will establish some kind of a vault for the fumigation of furniture and rugs that come to them for storage. In addition, a great many companies are now building upholstered furniture rooms, which are made tight and which can fumigate from time to time during the season. Rugs are also being processed now at regular periods. The fumigation of furniture from the outside is profitable business providing too many companies are not attempting to engage in this type of service. There is not enough of it to be divided up among a great number of warehouses and make it profitable for any of them."

"Probably the newest side line is garment storage. I believe this will prove profitable after the public has been educated that the warehouse company can construct vaults suitable for storage of fur and cloth coats, to which is added intelligent fumigation. . . .

"When it is decided to enter a new field, a survey should be made first of all to determine whether your facilities are such as will enable you to enter the field in a way that will reflect credit not only to your particular company but to the industry as well. Too many people attempt the operation of departments of which they know little. You must acquaint yourself with the subject in question; know more than the public know; be able to talk to them in an



Joseph R. Cochran, Minneapolis; Morrison C. Wood, George Bainbridge and Wilson Collin, all of Chicago; George Sebold, Elizabeth, N. J.; Walter E. Sweeting, Philadelphia; Willard Eldredge, Atlantic City, N. J.; Fred L. Harner, Philadelphia; Fred J. Hahn, New York; Herbert N. Bragg, New York; W. J. Montgomery, Hempstead, N. Y.; Thomas F. Murray, New York.



John A. O'Connor, Harrison, N. J.; Walter F. Walsh, New York; Frank J. Summers, Newark, N. J.; N. E. Weiner, Detroit; Clarence A. Ullman, Peoria, Ill.; Carey B. Hall, Danville, Ill.; Ben F. Kirschenbaum, New Rochelle, N. Y.; Nathan L. Goodman, Bayonne, N. J.; Walter F. Hoffman, Ridgewood, N. J.; I. R. Swanson and Charles A. Schlaufman, Chicago.

intelligent, convincing manner; and be a sort of a bureau of information for those who have a knowledge only of the hazards that can happen without knowing anything of the whys and wherefores of the subject."

On behalf of Milo W. Bekins, Los Angeles, Mr. Blackburn read a letter in which Mr. Bekins suggested these nine side lines:

1. Furniture repairing and refinishing.
2. Renting chairs and tables.
3. Garment storage.
4. Rug cleaning and repairing.
5. Moth proofing and fumigation.
6. Household inventory — appraisal of customers' goods for insurance purposes.
7. Insurance information and writing coverage on personal and household effects, working hand in hand with household inventory.
8. Sale of material and equipment to business houses in other lines.
9. Sale of excelsior to department stores, automobile supply houses, china and crockery stores, candy manufacturers, undertakers, etc., and sale of excelsior, paper pads, naphthalene, piano equipment, rope, etc., to transfer companies.

On motion by Mr. Blackburn it was voted to have Mr. Ford write to the Department of Agriculture expressing the association's appreciation of the services rendered by Dr. E. A. Back, Government entomologist, in connection with the moth problem.

The members swapped experiences on the use of moth processes, and William Moore, Ph.D., of the American Cyanamid Co., New York, told of a new moth proofing compound, called "Konate," developed by the Mellon Institute of Industrial Research of the University of Pittsburgh, resulting from efforts by a group of dry cleaners to find a chemi-

cal which could be used in dry cleaning processes and which would remain in a garment after cleaning and protect it from further moth damage. The speaker went into technical detail, showing sam-

pled to make tests of both processes and submit a report at a future meeting.

Industrial Relations

AT the Monday afternoon session J. Wallace Fager, Philadelphia, led discussion of "Industrial Relations" on behalf of Buell G. Miller of the same city. Mr. Ford turned the presiding officer's duties over to S. S. Davis, central divisional vice-president.

As chairman of the industrial relations committee Mr. Miller sent a paper in which he pointed out that present-day corporations everywhere were, in the name of humanity and for the sake of efficiency, interesting themselves in the private affairs of their employees and families, on the theory that a healthy employee was an efficient employee and that a thrifty one was a substantial one. He went on:

"Careful surveys made by insurance experts among employees of various industrial groups disclose the following conditions:

"1. A majority have no life, accident or health insurance protection.

"2. Those who carry life insurance often carry an amount which is insufficient to defray funeral expenses.

"3. Many, because of their age or physical condition, are unable to obtain insurance.

"4. Some join societies or fraternal organizations where sick and death benefits are generally small and assessments high.

"5. Few understand the advantages of various types of insurance.

"Realizing the conditions among employees, one of the largest insurance concerns in the country conferred with



Martin H. Kennelly

Elected President of the Allied Van Lines, Inc.

ples of cloth treated with various compounds.

The merits of cold storage versus fumigation of garments were discussed, and on motion by A. V. Cresto, Kansas City, it was voted that a committee be



M. J. Murray, Chicago; Edward D. Byrnes, Chicago; Earl C. Iredale, Evanston, Ill.; Ray Conway, Chicago; George A. Rhame, Minneapolis; Marion W. Neidringhaus, St. Louis; Ray Hall, Duluth; Walter J. Riley, Chicago; Thomas A. Jackson, Chicago; E. A. Eulass, Chicago; Paul J. Herbert, Youngstown, Ohio; George A. Rutherford, Cleveland.



E. L. Valentine, Aurora, Ill.; F. A. Wall, Chicago; Sydney M. Green, Jr., Nashville, Tenn.; George E. Butler, New Orleans; C. E. Dragoun, Ames, Iowa; Ray Ford, William A. Gordon and Joseph, all of Omaha; Paul Bekins, Sioux City, Iowa; Melvin Bekins, Omaha; L. E. Stones, Des Moines, Don Lynch.

a leading insurance company. The insurance company devised a form of blanket life insurance coverage at wholesale rates, without medical examination, which later became known as group insurance. In recent months this coverage has been extended to include health and accident insurance."

The results, Mr. Miller said, were that employees were not only protected in sickness or death but, relieved of worry, became more contented and therefore more efficient, while the employers fostered good will and cooperation of employees' families, and labor turnovers were reduced.

Mr. Miller then presented a skeleton plan and said that if it was approved the committee would attempt to have group insurance in warehousing "an accomplished fact" on Jan. 1.

The committee had selected the Prudential Insurance Co. because it was the largest seller of industrial coverage and capable of making settlements within twenty-four hours after notice of death, Mr. Miller stated, explaining that it would be necessary to organize a non-profit Illinois corporation, without stock or individual financial responsibility, controlled by the N. F. W. A., the members of which would become members of the corporation as they might elect to come under the plan. The company would work out average uniform rates to be effective Jan. 1, with provision, however, for covering immediately any members who desired protection before then. The plan provided life, permanent disability, health and accident coverage, he said, adding that the employers shared only in the life insurance coverage, the employees paying part of the life insurance and all of the balance. Dividends on all coverages would be payable to the employers, and Mr. Miller said that these sometimes were sufficient to pay the employers' share of the life insurance. He concluded that the plan had been worked out in cooperation with Mr. Reimers, the executive secretary, and the insurance firm of Cass, Tierney & Johansing.

At the request of Mr. Davis, F. B. Cramer, Los Angeles, of the C. T. & J. firm, discussed the group insurance plan. He said investigation had brought out the following points:

1. More than 40 per cent of all wage earners carry no life insurance protection.
2. Those who do carry life insurance have a small amount—an average of less than \$500.
3. Many employees cannot obtain life insurance at all or only at extremely high rates because of their advanced age or occupational hazard.
4. About 16 per cent of all employees cannot obtain standard life insurance they need and want.
5. Without group insurance, about 35 per cent of all employees who die leave behind relatives in serious financial straits.

Mr. Cramer said approximately 430 companies gave one or more reasons

Arthur A. Leonard



Central division vice-president of AVL Inc.

for inaugurating group insurance, these including:

To reduce labor turnover. To help employees and their dependents. To secure better cooperation and loyalty. To express appreciation of employees. As or instead of a gift. To provide insurance for employees not carrying it, and for those physically and otherwise unfit for acceptance ordinarily. For humanitarian reasons. To obtain increased efficiency by removing employees' sources of worry. To attract applicants for positions. To avoid collecting among employees or contributions by the company. To serve instead of a bonus or pension.

In response to employees' requests. To offer benefits provided by labor unions or competitive firms. To encourage thrift and additional insurance. To increase the benefits offered by employees' mutual benefit societies.

In reply to questions Mr. Cramer said death payments could be paid within twenty-four hours; and that the rate possibly would not exceed \$12 per \$1,000 per year, based on whatever might be the average age; and that employees could convert life policies if they desired.

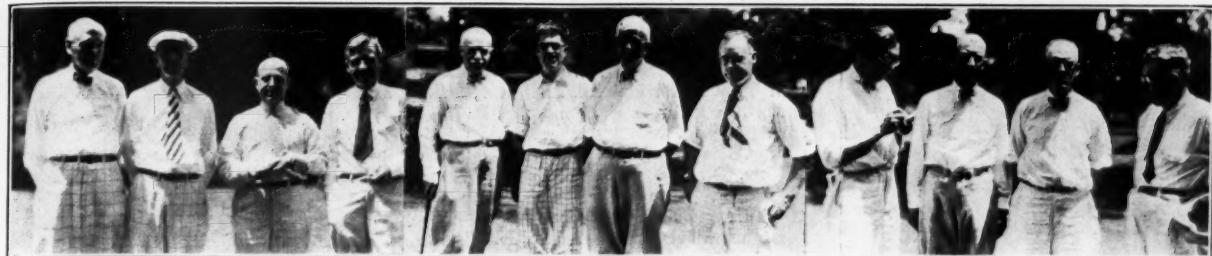
After various members had endorsed the plan Mr. David asked for a show of hands of those disposed as individuals to favor it. A rising vote showed unanimity. The plan is to be brought up at the next convention for formal endorsement by the association. Meanwhile, Mr. Cramer said, his firm would place men in the field and members could get the policy on a contingent basis in order to have interim protection.

Legislation—Insurance

THE unfinished report of the legislative committee was taken up, Mr. Kreutzer declaring that "we are too prone to believe that the law is against us, but the law will find for you when you do the things you should do." He believed that an attorney for the association could do much to protect the members—a high grade firm of attorneys on an annual retainer, as a clearing house, in a central city, to prevent creating of law unfavorable to the industry. He asked the members to think that suggestion over prior to the January convention, as the committee planned to present something definite along that line then.

L. H. Tanner, Detroit, indorsed the idea, saying the attorneys could attend the conventions and learn the industry's problems. Mr. Kreutzer suggested a questionnaire to learn how much money members spent for legal advice in 1927. Mr. David pointed out that AVL Inc. might from time to time have problems which would have to be referred to attorneys and that this might lead to a legal clearing house for the preparation of facts needed for local attorneys to win warehousemen's suits. He said he would place the general situation before the board of directors.

"Insuring Members' Charges" was a



T. Y. Leonard, Detroit; Walter P. Thiebault, Chicago; Lawrence S. Morris, New York; Arthur A. Leonard, Detroit; J. H. Troyer, P. A. Wendling, Frank H. Hebard and Frank Lang, all of Chicago; Oliver C. Wogstad, Chicago; Philip P. Hamman, Decatur, Ill.; W. R. Sprigg, Norwood, Ohio; Schuyler C. Blackburn, Kansas City.

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program subject. It was not discussed but Mr. Ford announced that the directors were working on a plan and that the rules were going to be "rather strict," and that it would be presented at the January meeting, and that it would serve to answer some of the questions which had been asked during the legislative discussions. The plan is to insure N.F.W.A. members against losses on charges advanced for freight, current packing, storage and hauling, etc.

At the final session, with J. M. Walker, southern divisional vice-president, presiding, the golf tournament prizes were awarded. An appeal was made by Dick Parks, Chattanooga, for the 1929 summer convention to be held either on Lookout Mountain or Signal Mountain, both near Chattanooga. A motion by E. M. Bond, Nashville, was adopted urging that Chattanooga be chosen. Final say will be with the directors.

S. S. Davis led discussion of the code of practice, declaring it represented the best thought of the industry and the members' general viewpoint as to what constituted best business dealings.

Pointing out the harm caused by unethical advertising, Mr. David emphasized that the code required truth in advertising, and that alleged violations had been called to the attention of the code of practice committee, of which he is chairman, and that the committee could refer such situations to the board of directors "if no amicable adjustment can be effected." He added that the committee would be glad to consider any complaint by one member against another.

The discussion of insurance was led by Henry M. Burgeson, Los Angeles, who said that no suggestions had been advanced for the improvement of the association's master automobile policy. Calling attention to the fact that Cass, Tierney & Johansing were securing all second and third year renewals, Mr. Burgeson declared that this indicated in no uncertain way the satisfaction of the members who had subscribed to the plan during the past three years. He added that the committee intended to communicate with members not now using the policy, "in the hope that their reasons may help us to eliminate any possible disadvantages, having in mind the additional benefits to be obtained in the cost

of this insurance when 80 per cent of the members are using the policy."

Mr. Cramer made known some additional benefits recently arranged for by his firm, such as coverage of storage of furs, garments and rugs, and plate glass insurance.

In the open forum discussion, which concluded the convention, George E. Turner brought up the subject of taxation.

Barrett C. Gilbert



Eastern division vice-president of AVL Inc.

tion of customers' goods in warehouses and the statutes which in some cities compel warehousemen to report customers' names, removals, jobs, etc.

Mr. Ford, telling of the Dallas case in which his company became involved several years ago, stated that he was still fighting the assessors on constitutional grounds and that if necessary he intended to carry the case to the United States Supreme Court.

Mr. Walker urged members to report all situations of this kind to the legislative committee, and Fred S. Kedney, Minneapolis, urged that the N. F. W. A. work with and through the assessors' national association to bring about uniformity.

Sports—Banquet

WALTER P. THIEBAULT, Chicago, chairman of the golf committee, announced the results of the tournament as follows:

Low inter-city foursome, Niedringhaus trophy, won by Ralph J. Wood and Morrison C. Wood, Chicago.

First low net, 36 holes, Judson trophy, won by Paul Bekins, Sioux City, Iowa.

Second low net, Bateman trophy, won by Ray M. King, Syracuse, N. Y.

Third low net, Fox trophy, won by Thomas F. Murray, New York.

Fourth low net, *Distribution and Warehousing* driver, won by S. M. Green, Jr., Nashville, Tenn.

Fifth low net, Peerless trophy, won by Edward A. Murdoch, Pittsburgh.

First low gross, for association trophies: Class A, won by Walter P. Thiebault, Chicago; class B, won by George A. Rhame, Minneapolis; class C, won by B. F. Buckley; class D, won by Ralph J. Wood, Chicago.

First low net, all classes: first, Milo W. Bekins trophy, won by R. T. Blauvelt, Jr., East Orange, N. J.; second, Charles D. Strang trophy, won by Morrison C. Wood, Chicago.

First low net, for association trophies: Class A, won by T. Y. Leonard, Detroit; class B, won by Joseph Cochran, Minneapolis; class C, won by J. J. Barrett; class D, won by Fred Hahn, New York.

First blind bogey, all classes, Haske-lite trophy, won by Ray Conway, Chicago; second, Sara Depenthal trophy, won by R. W. Greenman.

Second low gross: Class A, French Lick Hotel trophy, won by R. T. Blauvelt, Jr., East Orange, N. J.; class B, French Lick Hotel trophy, won by W. J. Riley, Chicago; class C, Peerless trophy, won by Herbert Bragg, New York; class D, Peerless trophy, won by F. H. Betts.

Second low net, for association trophies: Class A, won by D. R. Lynch; class B, won by Ben F. Langan, St. Louis; class C, won by Floyd L. Bateman, Chicago; class C, won by J. E. Perky, Kansas City.

First mystery prizes, all classes: *Distribution and Warehousing* driver, won by Harry Schroeder, Indianapolis; second mystery, Selle trophy, won by

Joseph H. Meyer

Elected treasurer of the Allied Van Lines

Arthur Reebie, Chicago; third mystery Selle trophy, won by P. A. Wendling.

Best and squarest golfer, Cass, Tierney & Johansing trophy, won by Frank H. Hebard, Chicago.

Mystery prizes, all classes, for association trophies: fourth, won by Arthur Blanchard, Rochester, N. Y.; fifth, won by Barret C. Gilbert, New York; sixth, won by William Meinke, La Porte, Ind.; seventh, won by L. E. Stone, Des Moines, Iowa; eighth, won by Thomas A. Jackson, Chicago; ninth, won by Melvin Bekins, Omaha.

Highest gross score, White Tar Co. trophy, won by Albert Gordon.

Leonard-Detroit Storage Co. "gamblers' contest," won by Henry Reimers, Chicago.

The East-West clash in baseball was not resumed, owing to lack of sufficient players. With six men to a side, teams captained by Earl C. Iredale, Evanston, Ill., and Ray Conway, Chicago, jostled with a large ball for six innings without a decision. Score:

Iredale ...	3	0	1	4	3	4 = 15
Conway ...	3	3	0	4	4	1 = 15

The editor of *Distribution and Warehousing* took an unofficial "straw vote" on the Presidential outlook, and the outcome was: Hoover, 139; Smith, 64; doubtful, 13. The results are set down more in detail on this month's "Two Bits" page.

On the eve of adjournment the convention banquet was held, with Frederick Landis, Logansport, Ind., a brother of Judge Landis, the baseball czar, as the principal speaker. Ernest T. Chadwell, Nashville, and Rodney Spring,

Henry Reimers

Secretary and general manager of AVL Inc.

Hollywood, and Henry M. Burgeson, Los Angeles, entertained with their vocal talent, with F. L. Bateman, Chicago, at the piano during some of the numbers.

An "association of association secretaries"—the exact name to be decided upon later—was organized at a meeting attended by Henry Reimers, Chicago.

(Concluded on page 47)



Skill in Handling Overdue Accounts Will Reduce Bad Debt Losses

**Some Suggestions to the Storage Executive in Dealing with
Customers Who Are Slow in Squaring Up**

By JOHN T. BARTLETT

WHEN charge accounts are handled with collection skill, the bad debt loss sinks again and again below one-half of one per cent of net sales. On large credit volumes, loss figures like one-fifth of one per cent, one-twentieth of one per cent, have been verified.

If the reader could personally interview these "champion collectors" of retail credits, he would find, as this writer has, a rather surprising secret. Do you expect to find the concern efficient in collection a cold, hard boiled, relentless institution? You will be disappointed.

Some of the most astonishing collection records—and most exceptional records—are made by businesses which only infrequently—sometimes not at all—use legal process. One of the secrets of their success, little guessed by the average man, is that innocent, mild device which readers of this have, on occasions, confronted—a reminder.

Reminders are the little giants of successful collections.

The warehouseman who skillfully employs reminders,

lists his collection percentage high—and automatically makes "hopeless" accounts negligible.

A sound psychological and economic reason contributes to this condition. *The easiest time to collect from a customer is when the account is young.* Ninety-nine customers out of one hundred, buying service, intend to pay for it. The causes which may arise to force postponement of payment are all, with a very small proportion of exception, things which pass in a few days. It is possible for practically every customer with whom an account has been opened with care to pay his obligation, if not at once, within a few days.

Moreover, the desire to pay is greatest when satisfaction of service is freshest in the customer's mind.

Reminders are the inoffensive, but powerful, collection aids which respect this condition. The gesture is a slight one—simply "You've forgotten to pay us." The whole trick consists in using the reminder in ways certain not to give offense.

Some Suggestions

THE act of reminding a customer whose account has become delinquent may be accomplished in a number of ways:

1. Reminding methods written upon statements. Duplicate statement sent without explanation.

2. Stickers attached to statements. Memos clipped to statements.

3. Letters.

4. Telephone calls.

5. Personal calls.

A tactful man has been described as one who can without harm to himself extract the stinger from a bee. If psychological skill is used—and that means tact—any one of the five methods of reminders can be used safely.

It is tactful to remind *in a routine way*. A printed or stamped message, of a sort readily to be handled by an office assistant, will be taken graciously.

Make the reminding message brief. Here, again, the act of reminding is made to seem a small routine thing.

Remind with manner which, palpably, demonstrates your lack of concern. The standard device is, of course, the joke,

spoken, written, or pictured—something which makes the recipient smile. The series of stickers and memos, of the smile-producing kind, which are extensively sold, are sound in conception and execution. If the customer laughs as he is reminded, he isn't getting "sore" at the same time. Not so you'd notice it!

Put cordiality and good cheer into the reminding message. Don't hesitate to say "Thanks," or "We'll appreciate it," or other words of happiness and gratitude. They are tactful!

Then, of course, too, the reminder can be hung on an excuse. "Thinking our first statement might not have reached you, we are sending you a second one," or "Is there a mistake somewhere? We do not seem to have received your remittance." That sort of thing. It's successful, too, with the type of person to whom one must be careful in writing.

Examine statistics of any detailed collection system, beginning with reminders and culminating with legal process. Of the different kind of reminders, which is the most effective? There's a question! Still, many credit men will come back, "Telephone reminders!"

Employing the Telephone

Use of the telephone to remind customers of non-payment has multiplied at prodigious speed the past few years, as concerns have realized the true possibilities of the medium. The telephone educates. After a customer has been reminded one or two months by telephone he somehow develops the prompt pay habit which eliminates the necessity for reminders. He doesn't like to be telephoned, whereas a printed reminder he might not find embarrassing at all.

Train office assistants to remind. Let them ask, "Did you get your statement all right?" or some other inoffensive question. Most customers will immediately promise to meet the delinquency.

In a "tickler" file record this, to be followed up by telephone if not kept. You will find that only an exceptional case requires more than two telephone calls. The percentage of results from telephone reminders is extremely high, and they are the means, with store after store, of maintaining remarkable collection percentages.

The cost of the telephone reminders
(Concluded on page 54)

Warehouses Were 66.4% Occupied in June, Against 68.6% in May

Department of Commerce Statistics Show Slight Loss for Sixth Month. Stocks Increased 85,325 Tons but Smaller Percentage Went Into Storage

By KENT B. STILES

A SLIGHT increase in tonnage of merchandise arriving at public warehouses in June, as compared with receipts during May, is to be noted in the United States Department of Commerce figures for the two months.

Made public in Washington on Aug. 14, these statistics show that during June 642,160 tons of goods reached the 1,087 warehouses which submitted reports, as against 556,835 tons recorded by the same storage companies for the previous month. This is an increase of 85,325, or slightly more than 13.3 per cent.

Of the 642,160 tons received in June, 476,377 tons, or 74.2 per cent, went into storage. This compares with 76.7 per cent in May—representing 427,102 going into storage out of the 556,835 tons which arrived. Thus deliveries on arrival—that is, goods which never went into storage after being received—were slightly larger, from the percentage standpoint, in June than in May.

Space occupancy at the end of June fell off 2.2 per cent as compared with the close of May. On June 30, 50,981,000 square feet comprised the space available for storage in the 1,087 reporting warehouses, and goods filled 33,834,000 sq. ft., or 66.4 per cent. This compares with 68.6 per cent on May 31, when 34,959,000 of the 50,951,000 sq. ft. of space available for storage was occupied.

The accompanying tables—revised figures for May to the right and the June figures on the opposite page—show 1,087 warehouses submitting their figures. In recent months the Government's tables have been including some 1,300 to 1,400 storage plants. C. A. Freeman, Assistant Economic Analyst of the Bureau of the Census of the Department of Commerce, explains to *Distribution and Warehousing*:

"You will observe that fewer firms are included in the compilation this month than in the past. This is because we do not consider it good policy to estimate figures for firms which report irregularly. Data for identical firms for May and June are shown so that the trend is correct."

Tannage

THE increase of more than 13 per cent in tonnage arriving at warehouses during June was reflected in all but one

of the nine divisions into which the country is divided for statistical purposes. The only decrease was experienced in the Middle Atlantic States—16,502 tons. In the South Atlantic section (Delaware, Maryland, District of Columbia, the Virginias, the Carolinas, Georgia and Florida) the receipts more than doubled—100,435 as compared with 46,335 tons.

A larger percentage of received tonnage went into storage in June, as compared with May, in four of the divisions—Middle Atlantic, West North Central, West South Central and Pacific, as shown in the next column:

	Total Tonnage Received			Percentage Entering Storage
	May	June		May June
.....	15,433	15,688	77.4	74.5
.....	189,530	173,028	74.7	81.5
entral.	125,120	137,925	87.1	86.4
entral.	54,716	40,306	73.7	74.7
.....	46,335	106,435	79.6	49.1
entral.	12,373	12,886	75.3	18.7
entral.	43,205	59,298	74.3	82.9
.....	7,592	10,949	68.5	58.7
.....	53,314	64,827	60.4	63.3
.....	556,835	642,160	76.7	74.2

From the foregoing it will be noted that there were sharp increases in the deliveries on arrival in a large section of the southeastern part of the country

Public-Merchandise Warehousing

May, 1928

Division and State	No. of Whses.	Floor Space (in Thous. Sq. Ft.) End of Month						Tonnage	
		Not Used for Public Warehousing		Used for Public Warehousing			Received During Month	Delivered on Arrival	
		Total	Warehousing	Total	Vacant	Occupied			
NEW ENGLAND:									
Mass. and Vt.	25	3,193	591	2,602	1,506	1,096	9,650	1,114	
Conn. & R. I.	12	1,179	437	742	399	343	2,300	2,369	
MIDDLE ATLANTIC:									
New York	311	13,631	3,379	10,252	2,250	8,002	94,916	31,612	
New Jersey	46	4,562	809	3,753	730	3,023	17,160	12,688	
Pennsylvania	39	3,933	1,707	2,226	509	1,717	28,302	4,872	
E. NORTH CEN.:									
Ohio	35	2,773	729	2,044	374	1,670	27,676	2,959	
Indiana	15	801	291	510	140	370	3,762	1,046	
Illinois	51	7,535	3,992	3,543	921	2,622	50,428	6,979	
Michigan	43	3,097	862	2,235	495	1,740	21,014	2,253	
Wisconsin	35	918	234	684	139	545	6,127	2,886	
W. NORTH CEN.:									
Minnesota	37	3,726	1,887	1,839	544	1,295	18,654	7,277	
Iowa	14	447	70	407	180	227	2,016	1,292	
Missouri	19	1,630	251	1,379	384	995	7,824	2,075	
N. Dak. & S. Dak.	5	136	19	117	25	92	772	321	
Nebraska	21	993	321	672	216	456	4,975	2,311	
Kansas	14	287	100	187	28	159	6,065	1,134	
SO. ATLANTIC:									
Del., Md. & D. C.	43	3,452	666	2,786	1,416	1,370	16,336	4,686	
Va. & W. Va.	30	3,062	454	2,608	1,175	1,433	12,882	1,610	
N. Car. & S. Car.	9	724	460	264	118	146	1,592	853	
Ga. & Florida	24	1,853	1,420	433	170	263	6,076	2,300	
E. SOUTHERN CEN.:									
Ky. & Tenn.	18	834	212	622	238	384	7,645	1,857	
Ala. & Miss.	9	395	232	143	25	118	1,676	1,195	
W. SOUTH CEN.:									
Ark., La. & Okla.	17	1,541	254	1,287	559	728	12,208	3,705	
Texas	56	4,681	860	3,821	1,760	2,061	19,913	7,379	
MOUNTAIN:									
Idaho, Wyo., Mont.	6	103	20	83	26	57	379	497	
Utah, Nev. & N. Mex.	12	503	114	389	125	264	3,391	513	
Colorado	15	604	257	347	81	266	1,433	1,379	
PACIFIC:									
Washington	26	2,536	1,632	904	426	478	6,701	2,401	
Oregon	7	611	105	506	143	363	8,553	13,371	
California	93	4,713	1,147	3,566	890	2,676	27,127	5,161	
Total for United States	1,087	74,483	23,532	50,951	15,992	34,959	427,102	129,733	

—in the twelve South Atlantic and East South Central States.

Occupancy

THE decrease from 68.6 per cent in occupancy on May 30 to 66.4 per cent on June 30 for the country as a whole is reflected in seven of the nine divisions. In New England the space occupancy increased eight-tenths of one per cent. In the East North Central States (Ohio, Indiana, Illinois, Michigan and Wisconsin) the increase was a fraction of one-tenth of one per cent. Elsewhere were experienced declines in space occupancy, the largest decrease having been recorded in the West South Central division—11.2 per cent in Arkansas, Louisiana, Oklahoma and Texas. Study the following:

	Total Sq. Ft. of Space Used		Percentage for Warehousing Occupied	
	May	June	May	June
New England.....	3,344,000	3,339,000	43.3	44.1
Middle Atlantic.....	16,231,000	16,313,000	78.5	76.0
East North Central.....	9,016,000	8,940,000	77.1	77.1
West North Central.....	4,601,000	4,637,000	70.1	68.3
South Atlantic.....	6,091,000	6,054,000	52.7	52.3
East South Central.....	765,000	764,000	65.6	64.7
West South Central.....	5,108,000	5,127,000	54.6	48.4
Mountain.....	819,000	840,000	71.7	69.3
Pacific.....	4,976,000	4,967,000	70.7	69.3
Entire Country.....	50,951,000	50,981,000	68.6	66.4

Support the Movement!

AS the Department of Commerce has pointed out to *Distribution and Warehousing*, several hundred ware-

OCCUPANCY AND TONNAGE

Every warehouseman receiving the monthly questionnaires from the Department of Commerce owes it to himself and his industry to send in replies promptly.

houses which gave assurance that they would send in their monthly figures regularly have recently been neglecting to do so. This handicaps the Government in its effort to provide the public storage industry with valuable statistics representative of the true situation. The success of this movement, inaugurated about six months ago by the Department of Commerce in cooperation with the American Warehousemen's Association, must depend on the cooperation of the executives whom the Government is endeavoring to aid. Warehousemen who at first sent in their figures and then became remiss should take a hitch in their business belts and renew their cooperation.

Unquestionably, many storage executives have benefitted by what the Government is doing. It has induced a large number to assemble tonnage figures which they had never compiled before, and the results have surprised them. One warehouseman widely known

in the industry has entirely revolutionized his business as a result of knowing his tonnage figures for the first time, and his net revenue has increased in recent months as the fruit of his cooperation. On this situation *Distribution and Warehousing* will go into more detail in a future issue.

The practical application of current statistical information by American business men has been one of the outstanding factors in the country's sustained prosperity during the past five years, in the opinion of Mortimer B. Lane, of the Bureau of the Census. To quote Mr. Lane, who, as editor of the Government's *Survey of Current Business*, is responsible for the compilation of warehousing statistics:

"Periods of similar commercial and industrial activity have as a rule been characterized by more or less violent fluctuations. Nearly 300 specific instances of the use of statistics in business have been collected. The small business man has been particularly benefitted through the use of current statistics—information he could not hope to obtain without collective action."

1,700 Indicators

"The rise of statistics from small beginnings to a position of such commanding importance has been a definite response to the growing needs of business. The business executive of today cannot have either in his mind or in the possession of his own concern all the facts necessary for intelligent business judgment. He must not only know how his firm is doing, but must compare his branch of industry with industry as a whole, and must know the buying conditions of his customers as well as the condition of his material market. These data he cannot get within his own organization, for they can be gathered only by agencies representing or collecting figures for an entire industry."

"The result of this need of the business world has been the growth of statistical services by Government departments, trade associations, periodicals and individual business concerns. The data thus collected are brought together by the Bureau of the Census and presented weekly and monthly in the Commerce Department's publication, *Survey of Current Business*. Through the medium of this survey the public now has the benefit of no less than 1700 separate indicators of business trends."

"Almost all important business organizations now make use of statistical information for the guidance of their respective activities, including such important industries as the textile, machinery, oil, leather, automobile, chemical, lumber, food products, advertising and insurance."

In recent months warehousing's statistics have become one of these "1700 separate indicators of business trends." They will not remain there unless storage executive cooperate with Mr. Lane. If the movement collapses because of the industry's apathy, warehousing will suffer seriously.

Public-Merchandise Warehousing

June, 1928

Division and State	No. of Whses.	Floor Space (in Thous. Sq. Ft.) End of Month						
		Not Used for Public Warehousing		Used for Public Warehousing			Tonnage	
		Total	For Public Warehousing	Total	Vacant	Occupied	Received During Month	Delivered on Arrival
NEW ENGLAND:								
Mass. and Vt.	24	3,246	646	2,600	1,467	1,133	9,814	2,034
Conn. & R. I.	11	1,177	428	739	398	341	1,871	1,969
MIDDLE ATLANTIC:								
New York.....	310	13,605	3,329	10,276	2,469	7,807	93,822	27,006
New Jersey.....	46	4,562	808	3,754	844	2,910	16,834	1,084
Pennsylvania.....	39	3,990	1,707	2,283	607	1,676	30,326	3,956
E. NORTH CEN.:								
Ohio.....	35	2,773	729	2,044	341	1,703	27,885	8,923
Indiana.....	15	801	281	520	139	381	3,606	955
Illinois.....	50	7,396	3,938	3,458	924	2,534	64,426	4,070
Michigan.....	43	3,097	862	2,235	485	1,750	16,938	2,205
Wisconsin.....	35	917	234	683	158	525	6,325	2,592
W. NORTH CEN.:								
Minnesota.....	37	3,726	1,883	1,843	555	1,288	20,172	6,576
Iowa.....	14	477	71	406	178	228	1,950	751
Missouri.....	19	1,630	223	1,407	392	1,015	8,391	1,805
N. Dak. & S. Dak.	5	136	19	117	26	91	870	205
Nebraska.....	21	993	321	672	280	392	7,871	2,331
Kansas.....	14	292	100	192	39	153	17,606	7,556
SO. ATLANTIC:								
Del., Md. & D. C.	43	3,425	682	2,743	1,436	1,307	23,630	3,585
Va. & W. Va.	30	3,068	454	2,614	1,207	1,407	11,457	45,486
N. Car. & S. Car.	9	724	460	264	103	161	1,683	316
Ga. & Florida....	24	1,853	1,420	433	144	289	12,590	1,688
E. SOUTH CEN.:								
Ky. & Tenn.	18	834	212	622	239	383	9,015	1,273
Ala. & Miss.	9	394	252	142	31	111	1,456	1,142
W. SOUTH CEN.:								
Ark., La. & Okla.	17	1,542	253	1,289	531	758	32,800	2,777
Texas.....	58	4,664	826	3,838	2,373	1,465	16,360	7,361
OUNTAIN:								
Idaho, Wyo., Mont.	6	102	19	83	29	54	1,634	1,759
Utah, Nev. & N. Mex.	12	502	89	413	133	280	3,428	822
Colorado.....	15	605	261	344	96	248	1,367	1,939
PACIFIC:								
Washington.....	26	2,536	1,632	904	418	486	6,885	3,014
Oregon.....	7	611	105	506	155	351	10,712	15,689
California.....	95	4,735	1,178	3,557	950	2,607	23,613	4,914
Total for United States....	1,087	74,413	23,432	50,981	17,147	33,834	476,377	165,783

Distribution and Warehousing's Pictorial



Left—SPECIALIZING IN A NEW FIELD: Bryan Southwest Transfer & Storage Co., Wichita, Kansas, crates and forwards the entire output of the city's seven airplane factories. (For story, see page 66.)



Above—BUILDING MUSCLE FOR FALL BUSINESS: C. C. Daniel, president of the Central Storage Co., Kansas City, at play at Elk Springs, in the Ozarks of Missouri.

Below—AT THE BIDDING OF THE STATE DEPARTMENT: Household goods of Gerald Keith of the Consular Service being shipped to Seville, Spain, in lift vans by the United States Storage Co., Inc., Washington, D. C.

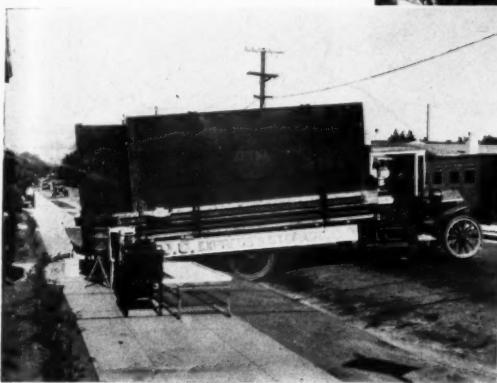


Below—FIRST AVLINC VAN IN THE CAROLINAS: Mounted on a 212-inch wheelbase White bus chassis, the body inside is 7 ft. high, 8 ft. long back of driver's seat and 81 in. wide. Panels and ends are of Plymet.



Review of the New and Interesting

Right—EN ROUTE TO A NEW
TEPEE: Tammany Hall moves from
14th St. to temporary quarters at 2
Park Ave. in vans supplied by Cirker's
Moving & Storage Co., Inc. Famous
old paintings include one of the New
York organization's symbolic Tiger.



Above—"SAFE DEPOSIT BOXES FOR YOUR
FURNITURE": So reads an "ad" of the U.C. Ex-
press & Storage Co., Berkeley, Cal.—and here is
one of the lift van "boxes" on the job.



Below—AS THEY WAREHOUSE IN LATVIA: These are the buildings
operated by Kniepp & Werner, a firm which does a general storage
business in Riga.



Above—AN ASIATIC MOVING VAN: In such a
vehicle the people's household goods are trans-
ported in the Federated Malay States.

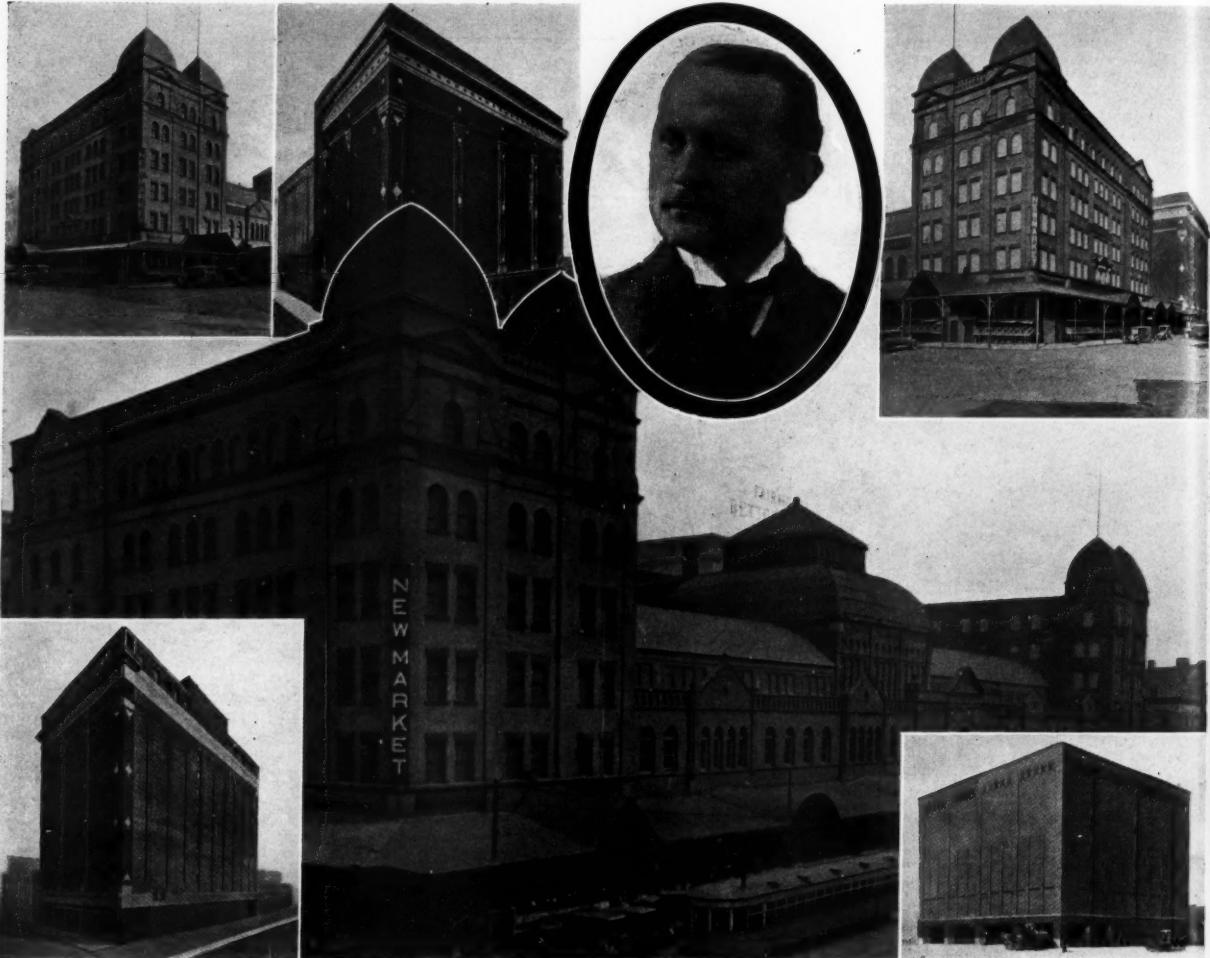


No. 52

Succ

Homer McDaniel

By ELIZABETH FORMAN

Let's Take the Old Family

In oval, Homer McDaniel, late treasurer and manager of the Sheriff Street Market & Storage Co., Cleveland, from a picture taken about 1895. Center, the firm's retail market, with a cold storage capacity of 5,000,000 cubic feet. The company's five cold storage warehouses shown in the insets have an aggregate capacity of 4,200,000 cubic feet

(Editorial note: Shortly after Miss Forman wrote the accompanying sketch of Homer McDaniel, treasurer and manager of the Sheriff Street Market & Storage Co., Cleveland, and a past president of the American Warehousemen's Association, Mr. McDaniel passed away at the age of 73.)

PICTURE, in fancy, quaint old Boston Town as Mc Master, historian of "The People of the United States," has so graphically depicted it in his opening chapters:

Dwelling houses had no street number in those days. Shops were identified by "an endless succession of golden balls, crowns, scepters, rainbows, elephants and horse-shoes."

The coolest water the place could afford came from the town pump. Every thunderstorm curdled the milk. Butter was kept in the dampest and coolest nook of the cellar or

hung in pails down the wall. With the exception of such vegetables and fruits as grew among the tulip beds and rose bushes of their gardens, citizens of Boston depended on the produce of farms "without the town" for their daily food.

Market days were to the housewife times of great responsibility to neglect which was to suffer great deprivation. The market house, too, was a place of local importance. Here the farmers' carts were regularly installed a number of times each week from sunrise until noon, when their stocks of vegetables, fresh meat, sausages and butter were disposed of and the day's work was done.

So dear to the housewife's heart did market day be-

(Concluded on page 50)

Success Stories

Family Album Out of Storage!

No. 53

Charles T. B. Jones

By ELIZABETH FORMAN

In oval, Charles T. B. Jones, president of the Davies Warehouse Co., Los Angeles

Below, the Davies firm's merchandise storage plants at Second Street and Central Avenue



IN the early part of the year 1891 J. M. Davies, a successful lumber merchant of Topeka, Kan., purchased several acres of land at what is now known as Second Street and Central Avenue, Los Angeles, and there established a lumber yard. This section is today the heart of the industrial and wholesale district but in that period there were no buildings and a large vineyard flourished directly across the street.

Business in the lumber yard prospered. Gradually the neighborhood began to develop, and in 1892 Mr. Davies decided to put up a building to rent. It was an impressive two-story brick structure, and the owner had little trouble in leasing it to neighbors, who used it for the storing of groceries, hardware and other supplies needed to accommodate a growing community.

Thus came into being one of the city's oldest warehouses, said by some to be the first public storage structure ever built in Los Angeles. One other building standing at that time was later turned into a warehouse, but it was used exclusively for the storing of grain.

During the year 1895 Mr. Davies found that other interests were claiming more and more of his attention.

Consequently the warehouse was leased to A. G. Hall, an Englishman, and Charles T. B. Jones.

Mr. Jones today is president of the Davies Warehouse Co. and also is one of the most prominent and active warehousemen in California. He became the executive head following the death of Mr. Hall in 1905 and has occupied that position ever since. Prior to entering the storage industry he was engaged in the brokerage business.

Born in Wales and brought up in the West Indies, Mr. Jones while still a young man journeyed to Canada and took up his residence in Halifax after marrying a Canadian girl. Some years later he lost his health, and so it was in search of a dry climate and healing sunshine that he migrated to California.

Mr. Jones is president of the Los Angeles Warehousemen's Association and is a past president of the California Warehousemen's Association. Years ago the former body was organized by him. He was its first president and, despite numerous efforts to resign, he has continued in the office nearly two decades.

Competition in the industry was keen back in 1906 and 1907, just as it is today. The Los Angeles association was

(Concluded on page 52)

Factors and Requirements in Long Distance Removals

By HARRY E. SEANOR

Chicago District Manager, The White Company

LONG distance hauling by motor trucks in the past five years has probably had a greater development than all the preceding years of motor transportation. Many factors have contributed to this result, the primary one of which is roads that will permit inter-city and inter-State travel at relatively high road speed. Another factor has been the improvement in tires, both solids and pneumatics but particularly pneumatic tires, and the mileage that can be derived from pneumatic tires. The third factor is the development of high speed chassis by various manufacturers and particularly the bus chassis, which has lent itself to the storage industry's particular character of work on account of its long wheelbase, powerful motors and ability to operate at high road speed continuously for many miles without endangering the chassis mechanically.

Last but not least, a contributing factor of the most important character has been the adoption of air brakes to motor truck and motor bus operation, which has made driving at reasonably high road speed safe. When you realize that a vehicle weighing between 18,000 and 20,000 pounds has the ability to move along at a rate of speed as high as 40 or 45 miles an hour, or even higher, stopping this mass weight at this speed involves a serious problem from a life and limb standpoint as well as property loss. Air brakes solved this problem and are reliable to the greatest possible degree.

We know of one manufacturer who had conceived a bus chassis with great horsepower and high road speed possibilities. The motor, transmission and all driving units for its successful operation had been carefully worked out over a period of years. Speeds as high as 70 miles an hour could be attained. The problem, however, was not of moving

the vehicle at this speed successfully but stopping it in an emergency if moving at a high rate of speed. Several years were spent by this manufacturer and a prominent air brake manufacturer in developing brakes to control this condition, and the result has met entirely with their expectations, and, with this character of equipment on high-speed large gross weight units, their control is just as easily maintained as the present-day

obtained 5000 miles, but tires have been so much bettered that it is not unusual today to obtain as high as 35,000 and 40,000 miles out of pneumatic tires if they are properly inflated and are not overloaded.

We need not dwell on the part that concrete highways have played in this development, as you all know what improved highways have meant to communities, cities and everything depending on transportation.

Motor truck costs are dangerous figures to handle unless a definite knowledge of what is involved is known by the party doing the figuring. No two operations are exactly similar. True, they are related. One executive demands, however, from motor truck equipment may be different than yours, and yours different than the other fellow's. There are certain fundamentals, however, that apply to all.

Primarily, warehousemen are in business for money or profit. If they move the world's goods, it is the desire to move goods over the longest possible distance at the lowest possible cost and over the longest period of time, with maximum, reasonable profits. It is absolutely vital that cost records be kept in order that they may know what they are doing from a motor truck operating standpoint. If they don't, profits become questionable and the business becomes questionable. Every item of cost must be figured.

Primarily, warehousemen must consider the equipment they purchase. It should be made by a reliable manufacturer—one who has had years of experience and has proved that he knows how to properly build a balanced motor truck. When we say "balanced" we mean a motor truck that is good from stem to stern, has a good engine, a good clutch, a good transmission, a good rear axle

THE accompanying article by a representative of a company which manufactures motor trucks was written for *Distribution and Warehousing* at the suggestion of Thomas A. Jackson, president of the Jackson Storage & Van Co., operating household goods warehouses in Chicago and suburbs. The ideas set down therein have been approved by Mr. Jackson, whose business includes extensive operation of motor vans in long distance removals.

passenger car or as a matter of fact really more easily, as the air brake equipment is efficient and does not depend on the ability of the driver, physically, to apply brakes, the braking being done mechanically by the pressure of air. It has been the experience that the drivers are fresh at the end of a run, not having to worry about stopping their job or physically exhausted, constantly applying heavy brake pressure to brake pedals.

We thought that tires several years ago were giving good service when we

and good brakes, etc., throughout the chassis, one unit being properly correlated with the other. No matter how good a motor might be, a poor rear axle would make an unsuccessful operating unit.

We have found that the manufactured truck (by "manufactured" we mean that a motor truck company has built the motor, clutch, transmission, rear axle and steering gear) has a direct responsibility in the functioning of each unit with the other in a satisfactory manner. The manufacturer's position financially must be unquestioned. Otherwise warehousemen may have orphans on their hands in three or four years after making motor truck purchases. The manufacturer must have and provide service stations nationally. Parts must be available on short notice. He must have a definite service policy so that the warehousemen may know exactly what they are buying and what to expect after delivery.

Costs

After the storage executive is satisfied that all of the conditions of a sound purchase can be met, and he has purchased the equipment, then he must deal from there on with costs. It has been our experience that the initial cost of a motor truck is indirectly a big factor in the final cost of operation. Cheap motor truck purchases make expensive operating costs. There is no secret in the building of a good motor truck any more than there is in the building of a good watch, a good warehouse, a good piece of furniture or anything that is good. You cannot get out of a motor truck what has not been put into it by the manufacturer. Therefore we have always found it best and cheapest to purchase the best, regardless of initial investment cost, provided it was within reason and in line with other manufacturers building high grade equipment.

The purchase having been made, the warehouseman is next interested in operation, and this part of his program must be very carefully planned and figures maintained to know where he stands at all times in the cost of moving goods.

Depreciation of a motor truck has been a moot question among many users. Some users maintain that a truck should be depreciated on a four-year basis, some on a five-year basis, some on a three-year basis, and some on even a six or seven-year basis. For income tax purposes you probably will depreciate on a four-year basis to cover this item, but it is not fair to yourselves or to a given piece of motor equipment to depreciate all motor equipment on the same basis of operation.

In other words, a 5-ton truck may only make 10,000 miles a year in city service with a large van body on it, whereas a bus chassis with a van body may cover as high as 40,000 miles yearly in inter-city and State operation. To depreciate these two trucks on a yearly basis is not giving you a true picture of your operating costs.

When you purchase a motor truck, you

LONG DISTANCE REMOVALS

can practically pre-determine how many miles you are going to get of satisfactory service. As we stated before, you cannot get out of a motor truck what the manufacturer does not put into it. You can buy 25,000-mile trucks, you can buy 50,000-mile trucks, and you can buy trucks that will operate 100,000 miles, and more, satisfactorily.

In our opinion, the soundest basis of depreciation is mileage. If you will arbitrarily establish 100,000 miles as a basis of depreciation on a good motor truck, you will arrive at a sounder cost of depreciation. We are presuming, of course, that you buy high grade equipment which has at least this many miles of satisfactory service. We know of one manufacturer who has an actual compiled list of 11,256 trucks that have run 100,000 miles and more. Some have operated as high as 200,000, 300,000, 400,000 and 500,000 miles and are still in service. This record is available for any person who wishes to see it.

If you buy cheaper equipment, then you should arbitrarily establish a less definite amount of mileage, as we have already suggested. We have stressed depreciation because we believe that it is one of the biggest factors in cost of motor truck operation.

The next factor is mechanical maintenance. Here again quality tells its own story. You would not expect to get the same satisfactory service out of a Chevrolet that you would out of a Lincoln, Packard or Cadillac. You may argue that we cannot all afford to buy Lincolns, as some of our pocketbooks are Chevrolet pocketbooks. That is possibly true, but the success of operating the Lincoln, its low mechanical maintenance and its longevity tells its own story. That is why the General Motors Company builds different makes and grades of automobiles, and what is true in passenger cars is equally true in motor trucks.

Passenger cars are necessary to our daily lives and functions of life in the present age but not as essentially necessary as motor truck transportation, which deals with the economic situation of our country as a whole from a transportation standpoint. Quality is always the cheapest in motor trucks and, from our observation and investigation, we have found that the quality manufacturers are the most successful, which is also true in the passenger car industry.

It has been found that operating costs on a given sized unit (we will use, as an example, a job that has 18,000 pounds gross, figuring weight of chassis, body and pay load) will be anywhere from 25c. to 40c. per mile. This marginal difference of 15c. is a matter of profit. We believe, from investigation and from our own records, that a high grade motor truck chassis can be operated over a long period of time at not to exceed 25c. per mile, including driver. This includes all operating costs with the exception of extra help that might accompany a given delivery; this can be computed on a day wage basis where the extra help is necessary.

Please understand that we do not main-

tain that all motor trucks can operate at 25c. per mile. Many of them positively cannot. Some will cost as high as 50c. per mile, especially after two and one-half years of operation.

We have had occasion to check some bus figures and found that the bus operator was receiving 37c. per mile for his gross return and that it was costing him 26c. per mile to operate his buses. In other words, he made a profit of 11c. per mile. This is a small margin of profit, yet he has made quite a success out of his business, having started in with one bus and now operating twelve, covering an average of 4000 bus miles per day, or \$440 per day net cash profit. He always has a return load, which is one of warehousing's problems and which it is to be hoped will be solved by the new Allied Van Lines, Inc.

It is reasonable to assume, however, that the warehouseman should make at least 15c. per mile. Therefore, if his charges are based on 40c. per mile and he has the right character of equipment and knows his costs, there is no reason in the world why he shouldn't be successful and yet give the public the service it demands at a reasonable cost, considering all the advantages there are to the movement of household goods and merchandise inter-city and State. We do not say that these are figures that should be charged. They are figures, however, to shoot at and to endeavor to obtain.

Lubrication, cleanliness, care and proper mechanical maintenance, looking after the little things before they become big things, are all factors in operating costs. A single little neglect that may have been repaired for a few dollars may cost hundreds if neglected.

Tires in Summer

Tire inflation is vital. We might suggest that hot weather tire inflation be watched especially. A truck that is going out on an inter-State run and expects to maintain a high sustained road speed will have just as much difficulty with over-inflation as under-inflation. A tire pumped up to 110 pounds pressure on a hot summer day, making a run of several hundred miles of high sustained road speed over concrete highways, may have a pressure as high as 140 pounds after a high average speed has been maintained for fifty or more miles. This is too much inside pressure on the tires for them successfully to withstand continuous operation, and the pressure should be reduced to 110 pounds. Have your men watch tire pressure carefully.

We find that some bus operators are putting from a quart to two quarts of water in the inside of the tube in the casing to assist in cooling tires, with many claims for success. The inclosed water in the tube will not deteriorate the rubber.

Watch lubrication. Drain crankcases frequently. Lubricate the chassis frequently and thoroughly. Follow the manufacturer's recommendations. They all provide oil charts. Train your organization to use them. If possible, do not change drivers on trucks. Make one

(Concluded on page 54)

We give you more
than your money's
worth in this intellec-
that issue, on a/c that—

Vol. IX. No. 3

TWO BITS

A Bit Here, A Bit There

—the darn thing got
away from us & ran
over onto page 66 be-
fore we could stop it.

Gotham, September, 1928

Mr. H. Hoover and Mr. E. Lette Are Elected Presidents and Mr. U. Leckinger Keeps His Promise and We Get Our Personal Name in Print

AT 2:12 P. M. on Aug. 21st we receive a word from the composing room that the Sept. issue of *DandW* can't go to press on a/c we have not written our *Two Bits* for p. 30. That is just too bad. If the composing room had any gumption they'd send the paper to press without any p. 30. They could just as easily as not skip from p. 29 to p. 31 & save Ye Ed. a lot of trouble. But, no, they are scared to take a chance. That is the way with composing rooms. They bully editors at long distance & are sticklers for following rules. They'll probably go so far as to get their labor union after us if we don't supply them with a p. 30, which is the only valid reason why you find a page with that no. on it in this mo.'s *DandW*.

Looks Like Herb Will Win

However we have considerable to write about, & 1st we will tell you about the storagers' industry's political tendency as indicated at the N. F. W. A. convention at French Lick. Between buttermilk absorptions Ye Ed. took a straw vote on the nat'l Presidential sit'n. We personally accosted 216 citizens & golfers & asked them whether they favored Herb Hoover, the Dept. of Commerce Sec., or Al Smith, the N. Y. Gov., & we will now tell you the results:

The 216 were from 27 States & the Dist. of Col., & they voted 139 for Herb and 64 for Al, & 12 was doubtful, & I thought we was trying to interest him in some sort of a golf-gambling propos'n. Of the 27 States represented, Al carried Ala., Md., Nebr. & Tenn. Herb carried N. Y. State by 14 to 8. Ye Ed. carried a headache to bed on a/c we had to stay up pretty late accosting certain delegates whose buttermilk must have originated in a dynamite factory. Well, anyhow, except for the voting in Nov. the outcome of the election is now settled.

Among the delegates who voted--we will not disclose how or how many times--were Kurt Meisenbach, the Dallas storager, & Allen Botts, the Louisville storager, & Geo. Butler, the New Orleans storager, all of whom did not like the way Bill Ford, the Dallas storager who is presy of the N. F. W. A., was conduct'g proceedings, so they appointed theirselves a special nominat'g committee & nominated Elmer Lette, the Oklahoma City storager, as presy in Bill's stead, & sent a collect telegram to Elmer saying Elmer had been elected presy, & Ye Ed. got a big scoop on all

other newspapers by getting hold of Elmer's reply, which is to wit:

ACCEPT PRESIDENCY I AM GRATEFUL TO YOU AND MANY FRIENDS FOR THEIR SUPPORT ANNOUNCEMENT WITH MY PHOTOGRAPH BEING PUBLISHED ALL LOCAL NEWSPAPERS, I APPOINT GEORGE BUTLER MY NATIONAL PUBLICITY AGENT INSTRUCT HIM TO HANDLE ANNOUNCEMENT WITH CHICAGO TRIBUNE NEW YORK HERALD AND OTHER PAPERS HE MIGHT ELECT MANY THANKS

Well, now that Herb has been elected U. S. A. presy and Elmer N. F. W. A. prexy we will take up the subject of storagers who do not keep promises. We mentioned in last mo.'s *Two Bits* that Joe Cochran, the Minneapolis storager who is presy of the Minnesota W. A., had not answered our correspondence. We saw Joe about that while at French Lick & Joe said he was sorry, & that he would send us a photo of himself as soon as he got back to Minneapolis. But, just like we expected, Joe has not sent the photo. We are going to continue to expose such miscreancy, & we challenge any storager to collect anything from us if he wins a libel suit vs. us.

We mentioned also in last mo.'s *Two Bits* that U. C. Leckinger, the Rochester storager who is presy of the N. Y. State W. A., had failed to send us his photo like he had promised to, & in view of that exposure, which at the time we deemed justified, we must have to now quote the following letter which we have recvd from U. C.:

"No news is good news but Ye Ed. of *Two Bits* thinks otherwise by taking my name in vain & placing same at the head of the honor role for delinquency in complying with unusual requests.

"Wish to state that I spent my last \$10.00 to furnish you with an image & likeness of myself, which on these hot days could have been put to much better use (not Gordon water), & request that you transfer the cursers on the P. O. Dept. for miscarriage as same was sent you in due time securely wrapped & crated & marked 'This Side Up—Handle With Care.'

"However, nevertheless, notwithstanding the fact, but in future if I have nothing else to write I will let you know. Thanks."

Intelligence Recognized

When a New York storager blames a Republican postal administration in this particular Presidential yr. you can draw your own conclusions, but anyhow you will find U. C.'s photo on p. 45 if you are

interested, & now we will quote for you a letter headed "Comment on Intelligence" which we have recvd from H. G. Stouffer, of Gotham, east'n mgr of sales for the Nat'l Term's Corp.:

"When the low brow editor of a high brow public'n sponsoring 1 of the oldest industries dating from King Tut's time, namely warehousing—Old Tut was a warehouseman, & we are referring to *Distribution and Warehousing*—drivels along from following dizzy blonds with runs in her stockings & who is putting red arrows on sidewalks [see our May issue of *Two Bits*] and then blows up shredded wheat biscuits with his nephew's firecrackers [see our Aug. issue of *Two Bits*], it shows the necessity of someone in the industry to help elevate his mental attitude in some manner.

"It shows how the Gotham heat [see our Aug. issue of *Two Bits*] affects its populace at times. If he don't get any better by Sept., I will have him put in cold stge with the rest of the eggs.

The National Punk Problem

"I suppose next 4th of July he will be using Quaker puffed wheat, which is shot from guns in Akron, to celebrate the occasion in order to save punk & who wants to save punk & what would they do with it after they saved it?

"He has become desperate as well as sarcastic, even insinuating that the warehouse trade 'don't do nuthin' for nobody who don't do nuthin' for them' [see our Aug. issue of *Two Bits*], to get a rise out of somebody, so I'm just going to pioneer with him by sending this in to see if he has nerve enough to use it in filling up that *Two Bits* page, which has gone from bad to worse, hoping that some good storager can be enveigled [sic.] to send in something worth while for what is now the worst page in the best public'n of its kind.

"Now is the time to come to the aid of the party—Kent Stiles being the party."

You can be sure that the only reason we have published the foregoing is on a/c it mentions our personal name right out, & we do like to see it in print.

Well, we still have some space left to fill so we will quote for you a letter recvd from a Chicago storager who signs himself "The Salamander":

"Hon. Mr. Two-Bits:

"Have just read your Aug. wail about the heat in Gotham & the ramblings of the quicksilver in your office thermometer. Honest, you ain't seen nuthin'

(Concluded on page 66)

BOOKS AND PAMPHLETS OF INTEREST TO THE INDUSTRY

These Can Be Supplied, at the Prices Indicated, by

DISTRIBUTION AND WAREHOUSING

249 West 39th Street, New York City

Distribution and Warehousing's Warehouse Map of New York City

Price \$2.00

This map, in colors, and produced for us by Rand, McNally & Co., sets down the geographical location of every public warehouse company—merchandise, household goods and cold storage—listed in the New York City sections of our 1928 Warehouse Directory (January) issue. Each company is designated by a number, and the companies' names and their corresponding numbers are shown.

On regular map paper, with metal edges top and bottom. Size, 23 by 33 inches. . . . For the shipper of commodities and household goods into the New York territory this map will be found invaluable.

Corporations Doing Business in Other States 5.00
State Regulations and Requirements
By H. A. Haring

The Distribution Age 3.20
A Study of the Economy of Modern Distribution.
By Ralph Borsodi

The Distribution Census of Baltimore 0.25
The Government's first census of any city's wholesale and retail trade.

Household Goods Warehousing in the United States 6.00
Selection of site, building design and construction, accounting, stowing, insect control, estimating, cartage, packing, rates, insurance, etc.
By Clarence A. Aspinwall

"I'll Never Move Again" 2.20
Humorous experiences of a man who has moved fifty-two times.
By Fitzhugh Green

The Merchandise Warehouse in Distribution 0.10
A Department of Commerce publication.

The Railroad Freight Service 5.20
Practical information for traffic executives.
By Grover G. Huebner and Emory R. Johnson

Standard Contract Terms and Conditions 0.05
A Department of Commerce publication.

Traffic Management 3.70
A comprehensive treatment of traffic management.
By G. Lloyd Wilson, Ph.D.

United States Warehouse Act 0.05
Regulations, as prescribed by Department of Agriculture, for warehousemen storing canned foods.

Warehouse Directory (subscription to *Distribution and Warehousing* included) ... 3.00
The industry's annual reference volume, containing statistics and data regarding warehouse companies throughout the United States and Canada.
The 1928 edition appeared as part of the January issue of *Distribution and Warehousing*. Extra single copies, each 1.00

Warehouse Forms 0.10
Simplified Practice Recommendations No. 34 of the U. S. Department of Commerce. Describing and illustrating the standard warehouse documents approved by the Government.

Warehousing 10.00
Trade customs and practices; financial and legal aspects.
By H. A. Haring

Warehousing General Merchandise—An Encyclopedia
Prepared by the American Warehousemen's Association.
Regular Edition to A.W.A. members: Vol. I, \$10;
Vol. II, \$5. Both 12.50
Regular Edition to non-members: Vol. I, \$15;
Vol. II, \$7.50. Both 20.00
De Luxe Edition (imp leather binding, India paper) to A.W.A. members: Vol I, \$15; Vol. II, \$7.50. Both 20.00
De Luxe Edition to non-members: Vol. I, \$20;
Vol. II, \$10. Both 25.00

Please Send Payment With All Orders

From \$2,000 to \$75,000 in Volume of Business in Fourteen Years

Showing That It Is Possible for a Warehouse Company in a Small City to Build Success on Proper Methods

By DEVELLE THATCHER

THE history and methods of the Inter-State Transfer & Storage Co., once the smallest but now the largest firm of its kind in Kansas City, Kan., should be of interest to everyone interested in distribution and warehousing.

The company's volume of business the first year, 1913, was \$2,000. Last year it grew to \$62,000, and this year the anticipated volume is \$75,000. From a \$2,000 volume to a \$75,000 volume only fourteen years' time is a record of accomplishment of which any moving and transfer company would be proud.

No intricate systems of bookkeeping or merchandising methods were used. The efficiency expert and a high-power advertising man were not needed to accomplish satisfactory results. Any operator of a fleet of trucks can duplicate the Inter-State's success providing he has an equal amount of initiative, go-gettiveness and open-mindedness and is not afraid to improve his service to make it the best he knows how—and then to spend a good-sized advertising appropriation to tell his possible prospects about it.

Asked what factors especially aided him in building up his business, L. J. Canfield, owner of the Inter-State, stated that he has always made it a point to be honest and truthful even if these qualities apparently were not appreciated by those who benefited most from them; give speedy service; dependability—every one of the twenty employees, including Mr. Canfield—keeps his word.

If a customer is told the truck will be at his address at a certain time, the truck is there at the specified time and not a half-hour or several hours later with excuses and alibis.

Furniture is handled from start to finish with the utmost care, regardless of extra time and effort consumed with the result: a minimum amount of breakage, damage and complaint—and considerable good will established.

Each employee is his own "checker" and he is efficient without being watched by Mr. Canfield. High grade employees were picked to better the Interstate's service. They feel it a personal obligation to maintain the standard of the company for ultra-service. Of course, they are paid more than if they worked for a transfer company which was not so particular. Give more and get more is the policy of the owner.

"Safe, Quick, Economical Moving" and "Equipped to Give You Better Service at a Minimum Cost" are the company's business-getting slogans.

Operators of small fleets who have not much capital should not be discouraged. One team of horses and a wagon was all the transportation facilities Mr. Canfield had when he started out in business.

The First Truck

In 1916 he purchased his first truck, a one-ton Ford, and conducted a general transfer business with offices at 1931 North Fifth Street. In 1920, Mr. Canfield purchased two 2-ton GMC trucks to take care of an increasing business. In 1921, he bought out a firm operating under the name of the Inter-State Transfer & Storage Co., which possessed three teams and wagons. At that time one 2-ton Republic and one 2-ton Gary and a $\frac{3}{4}$ -ton Dodge truck were added to the fleet. Mr. Canfield and his force moved into the quarters of the Interstate company and assumed the name, the location being 1108 North Fifth Street.

Giving service caused the business to grow until the firm was forced to move into a new fireproof warehouse, six-stories and basement, at 740 Armstrong Avenue, containing 50,000 square feet of floor space. In this modern brick structure are a heated piano room, a moth-proof rug room, a Victrola room, and a vault for valuables. At the time of that

expansion the fleet consisted of nine trucks with capacities ranging from $\frac{1}{2}$ ton to $3\frac{1}{2}$ tons.

Mr. Canfield has found out from his fourteen years of experience that a 2-ton truck is the best for all-round use. It is just the right capacity for an average load. Besides, laws are being passed in some States to keep trucks of more than 2-ton capacity off the main highways. In purchasing his trucks he first analyzed his business, type, conditions of roads and limit of territory. Then he bought according to his particular needs.

Dual pneumatic tires are best for long hauls on concrete, he believes, as the companion tire helps support the other, especially in case of an emergency and when the loads are high and there is considerable sway. This sway, obviously, ruins a single pneumatic tire when run any appreciable distance.

The firm delivers as far east as Chicago, as far south as Seminole, Okla., as far west as Hutchinson, Kan., and as far north as Beatrice, Neb.

Five rooms of furniture are hauled any distance up to 250 miles at a cost no higher than is charged by the railroad, plus crating, packing and drayage. The company has a department where lumber is stored and pieces are cut to length on the crating floor. The different size pieces of lumber all ready for crating any size package greatly facilitate this procedure. A 14-inch bandsaw driven by a two-horsepower motor is used.

Mr. Canfield believes in retaining a mechanic to take care of his automotive repairs and to keep his fleet in good working condition, it being more economical in the long run, considering the size of his fleet, than to have his trucks served by an outside concern. His mechanic is able to service eight trucks efficiently.

In making estimates for long distance

hauling Mr. Canfield considers the following factors: condition of roads; size of load; value of goods; cost of insurance (amount of insurance governed by value); and distance (cost per mile). The average cost to the one using Inter-State service is \$1 a mile up to the first fifty miles; then 65 cents for each mile thereafter.

To get more business, build up your service so that it is at least a little bit better than what the "other fellow" is giving—then tell the world about it.

Believing that in order to make money you have to spend it, Mr. Canfield appropriates a substantial proportion of his annual income for advertising purposes. This appropriation is distributed through various mediums such as film ads, radio broadcasting, business journals, newspapers and billboards.

As most of the Inter-State's local patronage is reached through newspapers, special attention is given to the preparation of copy. Service facilities, prestige, reliability and performanceability of the company are emphasized in concise and clear-cut manner.

Illustrations of equipment, the warehouse, or eye-attracting sketches are used effectively with the text, not only with a view of catching and holding the readers' attention but to fasten Inter-State long distance removal service firmly into the consciousness of potential patrons. Mr. Canfield works on the assumption that everybody some day will require his services.

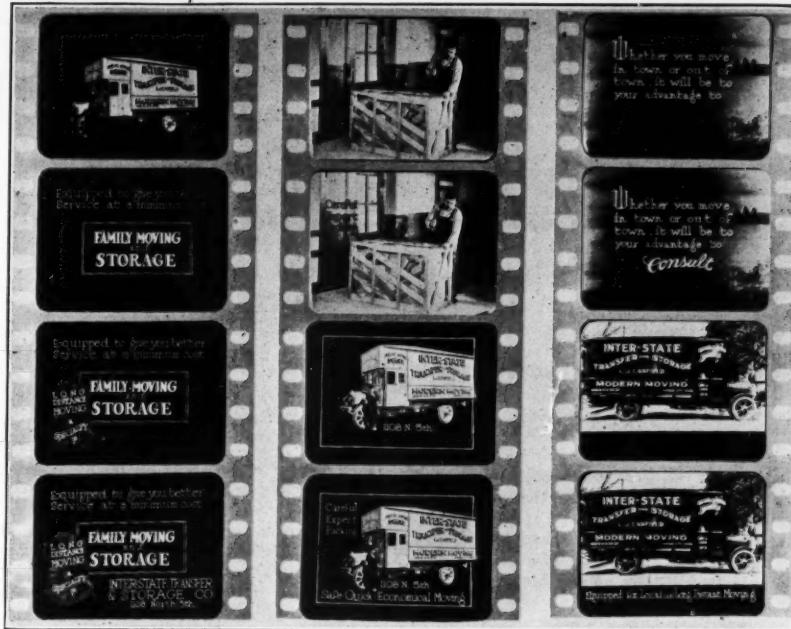
Following this line of reasoning he prepared a motion picture advertising campaign for displaying in cinema houses located in the areas being campaigned. This film presented a picturization of every service facility of the company. Among some of the points stressed were: equipped to give better service at a minimum cost; family moving and storage; long distance moving a specialty; careful expert packing; safe and quick moving; why the Inter-State should be consulted when moving in or out of town, etc. The film was livened with interesting studies of the internal workings of the organization, showing employees engaged in their various duties. Briefly, the public was sold not only on the Inter-State company but on the advantages of moving by truck,

\$12,000 on Advertising

Representative in their solicitations follow through with personally presented facts on fast delivery, savings in time and hotel bills, elimination of drayage costs, reduced likelihood of breakage, and quick settlements in event of damage.

One type of newspaper advertising copy employed is direct solicitation for return loads from outside cities. If the usual channels for securing return loads on a certain job have failed, ads are inserted in the newspapers in the town to which the delivery is to be made, giving all the details relative to time, cubic feet available, and particularly the reduced rate possible by such an arrangement. Transfer companies furnishing return loads to Kansas City receive com-

DEVELOPING A BUSINESS



Illustrating the motion picture methods of advertising carried on locally by the Inter-State Transfer & Storage Co. of Kansas City, Kan.

missions ranging from 15 to 25 per cent.

Whenever his organization contacts directly with the patronage, Mr. Canfield gives especial attention to facilitating good will between drivers and customers, as he considers as two of his greatest assets the amicable relationship existing between his drivers and the customers, and the company's reputation for following through on every promised detail. Every employee thus becomes a

salesman because of his obvious capability, courteousness, pleasantness, intelligence and experience.

The advertising appropriation the first year that any advertising was done amounted to about \$200. Last year it was \$10,400. This year probably \$12,000 will be expended to let possible prospects know of Inter-State's service, and his volume is expected to increase proportionately.

Mr. Haring Writes in "System" About Warehousing

As many storage executives know, H. A. Haring *Distribution and Warehousing*'s contributing editor, writes on the subject of distribution and warehousing for numerous other business journals from time to time—to the benefit of the industry.

In the September issue of *System: The Magazine of Business*, appears one of Mr. Haring's articles, entitled "Our 1928 Sales Outlets," in which he attempts to disprove the threats of the chain stores that, if present expansion continues, they will do half the country's retail volume, and in which he attempts to show the manufacturer that the latter can cope with the cut-price and chain store methods. Mr. Haring says in part:

"Manufacturers are vastly augmenting the number of their contacts with retailers. It is the one manner in which manufacturers can keep step with the changes in retailing, for it is no longer a question of more pins, or less, on the wholesale map. All question is gone: there must be more pins. Old boundaries are out of date; old centers of distribution are too far apart."

"For the small manufacturer the solution of this complexity is the same as for the large. He need not merge. His escape is through the use of the public warehouse for spot stocks. A branch sales agency in Chicago, with a spot stock in that city, can be supplemented by a dozen spot stocks in the 'Chicago territory'—as the automotive makers have them. The warehousing and handling cost through a public warehouse for 12 carloads of goods at 12 warehouses is slightly, if any, higher than a stock of 12 carloads in one city, whereas the convenience to retailers is multiplied by four times 12."

National Opens Los Angeles Office

The National Freight Forwarding Co., carload consolidators of household goods and automobiles by way of the Panama Canal, opens an office in the Central Building, Sixth and Main Streets, Los Angeles, on Sept. 1. William Brown will be in charge. The announcement is made by Benjamin B. Brown, New York, the company's president.

FROM THE LEGAL VIEWPOINT

By Leo T. Parker

Contract by Unauthorized Officer of Warehouse Corporation Is Void

ON the other hand, it is important to know that an officer of a warehouse corporation cannot bind the company without actual or implied authority of the board of directors.

For instance, in *Treasurer and Receiver General v. Macdale Warehouse Co.*, 160 N. E. 434, it was disclosed that the Macdale Warehouse Co. had been conducting a warehouse at 36 Scotia Street, Boston, Mass. This warehouse company discontinued its business and transferred all the goods then in storage to a firm then known as the Boylston Storage Warehouse which took possession of the Scotia Street warehouse. About six months later, McCaffrey, the treasurer of the Macdale company, and who owned all but two or three shares of stock in the company, reopened the warehouse business, without authority of the directors, at 350 C Street. He accepted goods for storage and issued warehouse receipts on the Macdale Warehouse Co.'s blanks which had been used by the company at its former Scotia Street address. These receipts were signed "Macdale Warehouse Company, Inc., by J. J. McCaffrey, Treas."

About \$7,750 worth of the accepted merchandise by McCaffrey disappeared from the warehouse. The holder of the receipts issued by McCaffrey sued the Macdale Warehouse Co. to recover the value of the goods.

The testimony proved that after the Macdale firm discontinued business at Scotia Street the directors of the company had not given authority, express or implied, to McCaffrey to open a warehouse at 350 C Street. The testimony showed that discontinuance of the Macdale warehouse business was voted at a regular meeting of the directors, and that all the property then in storage was to be turned over to another warehouse company that had leased the premises. Shortly afterward the office furniture and several trunks were sold to the new warehouseman.

In holding the Macdale Warehouse Co. not responsible for the loss of the stored merchandise, the Court explained the law on this subject as follows:

"Acts and declarations of McCaffrey as an officer of the corporation are binding upon it only to the extent that such acts and declarations are within his express or implied authority. His acts and declarations are incompetent to prove his authority or its extent. . . . Although McCaffrey owned nearly all the stock, his acts were not acts of the corporation with authority given by the

directors at a regular meeting. . . . McCaffrey, although director, treasurer and general manager, as such did not have unlimited authority to bind the corporation by his acts."

A Liability Case

IT is generally believed by many warehousemen that an indorsement of negotiable warehouse receipts by the holder's common employee is invalid. However, in *Augusta Bonded Public Warehouse Co. v. Georgia Railroad Bank*, 142 S. E. 559, it was held that an indorsement made by an employee is valid provided the same is approved by the owner of the goods.

The facts of this case are that the Willet Seed Co. stored in a public warehouse a quantity of merchandise, and received therefor a usual negotiable ware-

bookkeeper of the seed company had indorsed the receipts to the bank, and that the indorsement was invalid because the law provided that the title to goods stored in a public warehouse shall pass only when the receipts are indorsed by the person to whom the receipts are originally given by the warehouseman, or the pledgee.

Nevertheless, in view of the fact that indorsement of the receipts by the bookkeeper was approved by an official of the Willet Seed Co., the Court held the warehouseman liable and said:

"The provision [law] is not an exclusive form for pledging warehouse receipts for a debt. The bank as pledgee acquired sufficient title, as against the warehouse company, to support an action against that company for the value of the cotton seed and soy beans, after they had been fraudulently withdrawn from the warehouse company by the N. L. Willet Seed Co. without surrender of the warehouse receipts."

What Don't You Know?

MR. PARKER answers legal questions on warehousing, transfer and automotive affairs.

There is no charge for this service.

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house receipt bearing the notation "The above articles will be delivered only on the surrender of this receipt, and payment of all storage charges."

The bookkeeper of the Seed company, by authority of its general manager, indorsed the receipts "N. L. Willet Seed Company, by E. Ivey," and delivered them to a bank as collateral security for certain notes executed by the seed company to the bank.

Later the warehouseman delivered the seed to the seed company without demanding the receipts. The latter company became bankrupt and the bank presented the receipts to the warehouseman and demanded delivery of the merchandise. On failure of the warehouse to deliver the seeds upon presentation of the receipts, the bank sued to recover the value of the goods.

The warehouseman attempted to avoid liability on the contention that only the

Legal Definition of Casual Employment

GENERALLY, the workmen's compensation laws provide that an employee is not entitled to recover under such laws for injuries received where the employment is merely casual. Therefore the legal meaning of the term "casual employment" is important.

In *DeCarli v. Manchester Public Warehouse Co.*, 140 Atl. 637, it was disclosed that a compensation Act provides that an injured employee shall not be entitled to compensation whose employment is of a casual nature and who is employed otherwise than for the purposes of the employer's trade or business.

The owners of a warehouse let a contract for construction of a new warehouse to a firm of general contractors. After the building had been completed by the general contractor, and had been turned over to the warehousemen, it was discovered that it lacked the very necessary equipment of a loading platform. A carpenter was engaged to build such a platform at an agreed wage of \$1 an hour. Very soon after he began to work he fell from a roof, suffering injuries from which he died.

Litigation developed when the warehouseman refused to pay the high compensation provided by the law and sought to pay damages in accordance with common law. The counsel for the warehouseman contended that the workman was engaged in casual employment when the injuries were sustained and,

therefore, that the compensation laws were not applicable.

However, the Court held the warehouseman liable, and said:

"No doubt a conclusion that an employment was not of a casual nature may more easily be reached where the work to be performed is in the course of the business or trade of the employer. . . . The nature of the employment requires a consideration, not merely of the kind of work to be performed, but also of its character as stable and settled or temporary and incidental. . . . The casual employment means the occasional or incidental employment, the employment which comes without regularity. * * * If the employment be upon an employer's business for a definite time, as for a week, or a month, or longer, it is not a casual employment, whether we regard the contract of service or the nature of the service. . . . If the workman is engaged by the week or any longer period the employment would seem to be not casual."

Warehouseman Not Liable for Delivery of Mortgaged Goods

FREQUENTLY warehousemen are compelled by peculiar circumstances to decide which of two mortgages on the same goods is the proper one to accept. It is well settled that the holder of the mortgage first recorded or the holder of the first unrecorded mortgage of which the warehouseman has notice, is entitled to delivery of the goods.

However, a different situation arises where the owner of stored merchandise gives two mortgages to two different parties, and both mortgages are recorded on the same day.

In *Farmers' Union Warehouse Co. v. Barnett Bros.*, 116 So. 810, it was disclosed that the owner of stored cotton gave two mortgages on goods on the same day to two different firms. One of the firms possessed the warehouse receipts. At a later date the other mortgagee, without knowledge of the holder of the receipts, sued the warehouseman to recover possession of the goods. By order of the Court the warehouseman delivered the cotton to the latter mortgagee without notifying the holder of the receipts that the other mortgagee had filed suit. The latter mortgagee then sued the warehouseman for value of the cotton thus delivered, contending that he was entitled to damages because he held the warehouse receipts.

The lower Court held the warehouseman liable, but the higher Court reversed this verdict, saying:

"The burden rested upon the defendant [warehouseman], as bailee of the cotton, to show a title superior to plaintiff. In other words, the primary duty of defendant [warehouseman] as bailee was to keep safe and deliver the cotton on demand to the plaintiff, who was its bailor, and, when plaintiff had proved the bailment and a demand for delivery under the receipts and a failure or refusal to deliver by defendant [warehouseman] the burden was cast upon defendant of showing a superior title

in the party to whom it did deliver. . . . Plaintiff's mortgage was filed for record Feb. 5, 1920; at what hour does not appear. The law recognizes no fraction of a day. The mortgages appear to be equal as to time fixing a lien. The burden of proof must therefore determine the rights of the parties."

Opinion by Mr. Reid

LEGAL EDITOR, Distribution and Warehousing:

In your remarks on a suit against the Hartford Despatch & Warehouse Co., on page 25 of the August issue, regarding the selling of a greater amount of goods than necessary to pay the accrued storage charges, you state—"however, since this amount of \$50 was later required to pay charges on the remaining goods, I believe this act was immaterial."

I think on further consideration you will agree that the warehouse company had no right to sell beyond the amount of their claim, and unless they can establish that they have charges for advertising, portage, commissions for selling, etc., to cover this \$50, they are

liable to a suit for conversion—not for what the goods brought at auction, but for their actual value at the time of sale.

Would it not be well for you to advise the warehouse company to that effect?—
Walter C. Reid, Vice-President, Lincoln Warehouse Corporation, New York City.

Warehouseman's Surety

GENERALLY speaking, where State laws specify the warehouseman's duty the latter's surety is not relieved of liability on the bond simply because the warehouseman or his employees neglect their legal duty.

For instance, in *Anderson v. Krueger*, 212 N. W. 198, it was disclosed that a warehouseman neglected to issue warehouse receipts in accordance with the laws, as a result of which the owner of stored goods suffered loss. The owner sued the surety company to recover the loss thus sustained. The surety company defended the suit on the ground that the warehouseman had failed to perform his duty, legally required by statute, to issue receipts on goods received for storage, but the surety was held liable.

California's Three-Cent Gasoline Tax Is Being Opposed on Grounds of Unconstitutionality

MOTOR truck owners and operators of California are to some extent divided on the merits of the three-cent gasoline tax imposed by that State but officially their organizations probably will stand with the State in the legal battle recently started in Federal Court in San Francisco to have the tax declared unconstitutional.

Complainants to the number of 58, all taxpayers and from widely separated sections of the State, headed by George B. Williams, an operator of automobiles and motor trucks for hire in San Francisco, have filed the suit. They are represented by W. P. Crawford, an attorney of Seattle, and the attack is based on the recent upset of the Illinois State gasoline tax of two cents by the Supreme Court of that State.

The suit is based on the claim that "California's gasoline tax is a toll on the public roads, and is, therefore, unconstitutional." Mr. Crawford charges that "whereas, under the Federal-State aid for new roads, provision is made that no toll can be charged for these highways, the collection of the gasoline tax is, in fact, the levying of a toll, in contravention of the law."

Motor truck owners and operators, while in general opposed to the gasoline tax, realize that it is at present the only adequate source of funds for the maintenance of present highways and the construction of new ones. On such maintenance and construction, their business depends, not only for its present prosperity and stability, but for all future growth. These reasons overbalance the personal opposition to the tax, and the operators, as well as the truck

dealers and the automobile dealers, through their organizations, will support the State.

Hollywood Firm Is Host to Local Business Interests

In an effort to acquaint business men interested in the movement of foreign and domestic commerce with the commercial possibilities of Hollywood, Cal., the Hollywood Storage Co. of that city on July 19 held an informal dinner and get-together meeting with guests present representing the Foreign Trade Club of Southern California, the Rail and Water Club, the Woman's Traffic Club, the Los Angeles Steamship Men's Association, the Foreign Exchange Club and the Hollywood Chamber of Commerce. Approximately 140 persons attended, including newspaper and magazine editors, the affair being staged in the banquet hall on the top, or fourteenth floor, of the warehouse.

C. E. Toberman, the company's president, in welcoming his visitors, cited examples of Hollywood firms which market their products all over the world, being heavy importers as well. He added: "The made-in-Hollywood label has a foreign trade value," and gave illustrations from his own travels in many lands, to support his point.

In a story about the Hollywood Storage Co.'s development of an airplane account, on page 60 of the July issue of *Distribution and Warehousing*, the company was erroneously located in Hollywood, Florida, instead of Hollywood, California.

H. A. Haring's

New Business for Warehouses

FEW potatoes enter cold storage. Although potatoes are an article of food, their preservation is best promoted by storing in a cool place, but not a cold one. They freeze at relatively high temperatures, especially sweet potatoes, and the highest average temperature of a cold storage house is apt to be disastrous to this product.

If potatoes freeze they turn black, quickly grow soft, and smell terribly. A frosted potato is absolutely useless on the market, and the known uses for industrial purposes are so few (by chemical treatment) that, in a general way, a frosted potato is a total loss. Yet potatoes are best stored in a cool place, where the temperature is fairly uniform, where ventilation is ample, and

A New Warehouse Commodity

POTATOES have always been stored, throughout the autumn months, in Maine and Michigan and Idaho, and of course in the other potato-growing States. Occasionally they are held in local storage into the winter months, but always the pressure of banks has been exerted on the grower and the growers' marketing association to ship into primary markets before low temperatures develop.

Potatoes are so sensitive to frost that often they will be ruined while loading from a Maine warehouse to a railroad car. More often the storage place is some miles from the track, so that trucking from storage to siding is involved. In such instances difficulty arises in protecting from frost during the trucking. So dangerous is this that no Federal warehouse license will be granted to a potato warehouse that is not on a railroad siding, unless it is agreed that all potatoes shall be moved out early in the season; and, for rediscounth purposes, the banks refuse loans on potatoes where haulage to track is required. The Federal Reserve Banks have declined to grant banks the privilege of rediscounting with the Reserve Banks' "potato paper" because of the high perishability of the product.

This does not mean that potatoes are not shipped by rail during the winter. They are, of course. It does, however, mean that within the past six or seven years a new pressure has come to the growers to unload their crop before December first. This is accomplished by shipping to car-lot receivers, or jobbers, in the primary markets. The whole sys-

tem of "potato speculation" hangs on this necessity of the grower, because thus the city speculator is able to get hold of the crop at a time when growers must move it. The speculator buys for a rise—paying a low price in October and November when the market glut is at a peak. Then he holds beyond December, when the first lots are cleared off the market, and, with the control of the supply, is able to demand a price that yields a speculative profit.

Each season, however, pressure is heavier on the grower to ship early.

At the same time the grocer has less space for potato storage. Hardly a grocery store has as much cellar space as he had five years ago. All the new groceries (mostly chain stores) occupy rather tiny store rooms, with basement spaces that are even smaller. In the grocery business, as with almost all retailers, the rising costs of doing business of late years have compelled greater utilization of space. Hardly a grocery store has escaped a remodeling of the store-room aisles and counters since 1920-1921—jobbers and manufacturers, trade papers and bankers, have dinned into their ears the gospel of turnover and the parallel gospel of modern selling methods. Both these doctrines require better display in the store—as any customer's eye will reveal.

Another change has been brought about but it is one not so manifest, because it is in the cellar of the store. Grocery stores have learned the need to clean house. Their owners have been taught that deterioration of stock may be avoided by clean, dry storage; that turnover of stock is enhanced by orderly

where a certain percentage of moisture is present—enough, in fact, to prevent the potatoes from "drying out" and shrinking in bulk.

Potatoes, therefore, when stored in public warehouses, are found in merchandise houses rather than cold storages.

The merchandise warehouse offers a condition most nearly like the cellar of old: cool, with not too much light, and with protection from excess of evaporation. A concrete warehouse offers almost ideal potato storage, especially if the windows are covered so as to keep out direct sunlight. Protection from vermin is, of course, necessary.

storage of surplus bulk; that "dead merchandise" can be brought to light and sold only when it is so arranged in the basement that it can not be overlooked.

Groceries, therefore, have reorganized their basements—by cleaning up rubbish, by raising packing cases off the floor on skids, by building racks and shelves, by installing paper balers for refuse that is salable and incinerators for what is unmerchantable. They have, in short, learned to use their basement spaces to earn profits (or to curtail losses, which amounts to the same thing).

Formerly a corner of the grocery cellar was swept up in September and stacked with a hundred or two hundred barrels of potatoes. Today, when September rolls around, the grocer declines to buy potatoes. He has no place for storage.

The grocer realizes that he is passing by a source of rather certain profit. Yet he is helpless to take it, because he lacks a place to store the produce.

Winter Prices

POTATO prices usually rise in the winter, following the holidays.

Prices do not always rise. If they did the speculator would have too sure a profit. In the ordinary year, however, one or more sections of the country will have a shortage of the crop.

Practically every State grows potatoes. Every one but three or four (such as Arizona, Nevada, Utah and New Mexico) is a potato shipper—which means that it grows a surplus beyond domestic requirements for its particular kind. The great deficiency markets are of course the cities. New York leads,

XXXIV

Potato Storage a Potential Source of New Revenue

Boston is a close second, with Chicago and Minneapolis next. Then come the other metropolitan areas, wherein potato-growing is out of the question.

Although every section of the country grows potatoes to some extent, we seldom have a summer that does not to one or more sections bring blight or drouth or early frost or late rains to ruin the crop. The shortage may be perceived locally in the autumn, when the crop is being harvested, but there is usually enough of a crop to care for the demands of three or four months. This situation results in there being no serious price change during the fall of the year; but, about December the local supplies face exhaustion and the shortage territory begins to look to some distant State for potatoes to feed itself until May.

Thus, each winter, a crop shortage appears rather unexpectedly. Some market where there has been a glut in October suddenly feels "firmer prices," and gradually prices climb, because jobbers are picking up carload lots for shipment to distant points. Maine and Michigan feel this most quickly, they being the biggest potato markets and both lying reasonably close to the metropolitan centers. Yet even a distant and an unimportant potato State will feel the rise of prices.

This is the opportunity for the potato speculator, who lies in wait for this situation to develop and who profits thereby.

Such a shortage does not occur every year. If it did the speculators would all retire to Palm Beach. Exceptions occur with enough frequency to upset their hopes for riches. The 1927 season was an exception. In that year not a potato-growing State had a crop disaster. Every State came into the market with a bumper crop, and, as a result, the potato speculator was a heavy loser that year.

But, taking the years as they come and go, grocers know that potatoes will rise in price after December. They therefore have been in the habit of buying in the autumn, September and October, for their year's requirements, with the expectation of adding to retail profits from the rise of the commodity's price on the open market.

The Industrial Traffic Manager as a Factor in Elimination of Waste in Distribution to Be Studied by Department of Commerce

THE relation of the traffic department to the efficient conduct of modern business will be studied by the Transportation Division, Department of Commerce, in an effort to determine the place of industrial traffic management as a factor in the elimination of waste in the distribution of merchandise.

In the study which will be started immediately, it is proposed to collect facts and figures on the movement of merchandise by railways, waterways, highways and airplane.

Wastes resulting from inadequate attention to traffic matters, elimination of

A Warehouse Opportunity

WITH, however, smaller cellar storage than ever before, the grocer faces a dilemma. Not having space he cannot store. Not being able to store he cannot buy.

If the grocer knew that in a merchandise warehouse he could store all the potatoes he would need he would come to the warehouse. He does not know of this facility, because he has never before needed it, and of course never thought of it.

It is the warehouseman's job to educate the grocer to the opportunity to buy potatoes when they are at low prices, hold them in a public warehouse, and withdraw from store each week as needed for his trade. The small-city warehouse can do this quite as well as the one in New York or Chicago.

It is a warehouse opportunity open to all alike, about in proportion to population.

Nor is the grocer alone in his need for potato storage.

The restaurant-keeper knows the danger of rising potato prices. "For everything else on the menu," says one of them, "we can find a substitute, except for potatoes, but the American people won't go without their spuds no matter what the cost."

With the restaurant is the local hotel.

In many communities there is also the potato speculator, or the food broker who takes a flier each September on potatoes.

The warehouseman who seeks this business can make a quick canvass of his locality, with inquiries to grocers, chain groceries, restaurants and hotels. Even boarding houses will grasp the chance to buy at a favorable price, and, six years out of seven, the price will rise and the profit be realized.

If the warehouseman has never handled potatoes, he should give thought to the part of the house where he stores them. The nearer he can approximate to the cellar of the farmhouse, the better will be his storing: cool, partly dark, not too dry, free from rats. Too great heat is as disastrous as frost. Yet the ordinary warehouse will have rooms, or basement, perfectly fitted for potato storing.

If, too, the warehouse lies in a po-

tato-growing area, it should be practicable to induce the growers to store their surplus crop where it can be quickly loaded for shipment and where it is protected from deterioration. In the great potato States (Maine, Michigan, Idaho, New York, Texas) potato warehouses are common, but throughout the country as a whole the only storage is the barn of the grower. The barn is fine for the first weeks, while drying is in progress and before sorting is done; but when the crop is once "cured" and ready for market as a graded product the barn is a poor storage place. It is too dry, too light, too warm one day and dangerously cold the next night.

The inability of grocers to hold potatoes beyond mid-October is one reason why potatoes are rushed into market that month, only to glut the primary centers and depress prices. Any warehousing method that will enable the grower to protect himself against this October toboggan of prices will, six years out of seven, augment his profit from the crop.

Wails are heard of the immense profits of the produce middleman and the low prices received by the grower. With potatoes—though not with all produce crops—a part of this difficulty lies just where the warehouse ought to function to help; the grower rushes his crop into the market, forcing the middleman to buy at a time of glut, with the middleman all the time knowing that it is a six-to-seven chance that he will sell in three months at a handsome profit.

The grower might easily, by warehousing and waiting, reap much of this margin.

The sub-title of No. XXXIII of Mr. Haring's "New Business for Warehouses" articles—the one published on pages 28 and 29 of the August issue of *Distribution and Warehousing*—should have been "Special Runs of Paper a Potential Source of New Revenue," as the article had to do with that subject.

Through error, the words "Drug Specialties" appeared as the sub-title, instead of "Special Runs of Paper." The text on drug specialties as a potential source of revenue was published in the July issue as No. XXXII of the series.

the consumer through reducing the costs of distribution by eliminating avoidable wastes.

Wayne E. Butterbaugh, professor of transportation, University of Minnesota, and a recognized authority on traffic matters, has been engaged to conduct the study, under the direction of Norman F. Titus, chief, Transportation Division.

The Associated Traffic Club of America has volunteered to cooperate with the Department of Commerce in the study.

(Concluded on page 52)

Public Warehousing and the Law of Bills of Lading

Eighth of a Series of Legal Articles

By LEO T. PARKER,
Attorney-at-Law

FIRST it is important to know that a bill of lading legally is both a contract, between the consignor and the carrier, and a receipt issued by the carrier to the shipper. Moreover, in the absence of any express stipulation between the consignor and the carrier, either party may introduce evidence to show that there is a inadvertent mistake in the bill, but both parties are bound positively by reasonable terms of the agreement.

In the leading case of *Goodrich v. Norris*, 10 Fed. case No. 5545, the Court explained the legal character of a bill of lading in the following language:

"The bill of lading has, in legal effect, a double aspect. It is a contract for the transportation and safe delivery of the property shipped, and it also embodies, as a matter collateral to that contract, a receipt for the goods so shipped. *It has no higher obligation than an ordinary*

Carrier's Limitation

AS it is well established that both the consignor and the carrier are bound by reasonable provisions in a bill of lading, it is well to review several of the leading cases which illustrate the distinction between reasonable and unreasonable stipulations.

Probably the most specific example of an unreasonable and obviously invalid stipulation in a bill of lading is a provision by which the carrier seeks to relieve itself of liability for the loss or injury to shipped merchandise. A provision of this latter nature always is invalid, unless the shipper agrees to relieve the carrier of liability in consideration of the latter agreeing to transport the goods at freight rates reasonably reduced from the normal rates.

Of course the owner of the goods must have agreed to reduce the carrier's liability, otherwise the rights of the shipper are unaltered. This situation may arise where a warehouseman ships a customer's goods.

For instance, in *Hunter v. American Ry. Express Co.*, 4 S. W. (2d) 847, a shipper who shipped another person's goods, accepted in return therefor a bill of lading containing a clause limiting the carrier's liability to \$2,000. The property was destroyed and the owner filed suit, contending he did not know that the bill contained the limitation clause. It is interesting to observe that

receipt, and is open to explanation and ratification by parol proof. . . . The clauses in the bill of lading which relate to the quantity and condition of the goods received do not enter into the contract between the parties; they are part of the receipt. The contract is for the transportation of the goods, for their delivery, for the stipulated freight, etc."

For instance, a bill of lading is *prima facie* evidence of the condition of the goods when they were received by the carrier for transportation. (16 F. (2d) 812).

Then, again, if an employee of a carrier mistakenly issues a bill of lading specifying a greater or lesser quantity of merchandise than is received, either the carrier or the consignor may introduce evidence to explain the error. (3 Allen (Mass.) 103).

Next Month

THE ninth of Mr. Parker's series of legal articles is called "The Law of Contracts" and will appear in the October issue. It covers distinction between verbal and written contracts; implied contracts; the warehouseman's duty to insure goods; and partnership contracts.

Considerable trouble and expense may be avoided by the storage executive who is able, by reference to a rule, to write a valid agreement and to distinguish an invalid from a valid contract — as Mr. Parker will point out, with Court decisions to support his contentions.

the Court held the owner entitled to recover full value of the property, saying:

"That bill of lading provided that rates were based on values, and the values specified in the bill of lading were \$2,000. There was no evidence that plaintiff [shipper] had any knowledge that such a bill of lading was in existence. In the absence of any evidence that plaintiff [shipper] had knowledge that a bill of lading was issued

until after the damage was done, we must hold that he is not bound by it."

While a carrier cannot limit its liability for loss or injury to goods, due solely to its own negligence, yet where negligence is not involved, the provisions are valid.

For example, in a leading case (85 Atl. 559) it was shown that a carrier issued a bill of lading limiting its liability in respect to delays of delivery of the merchandise, caused by strikes, mobs, and riots. A shipment was delayed because of a strike and the shipper filed suit for damages sustained as a result of the delay. In holding the carrier not liable, the Court said:

"The question is whether it was competent for the defendant [carrier] to limit its liability as stipulated in respect of strikes, mobs, and riots. This depends upon whether the limitation is just and reasonable in the eye of the law, and not inconsistent with public policy. . . . Interruptions and hindrances caused by strikes and mob violence are among those that excuse. This, too, is well settled."

However, the carrier must faithfully fulfill its part of the contract, or the relevant limitation clauses are ineffective, in later litigations, against the consignor.

For instance, in the leading case of *Waltham Mfg. Co. v. New York*, 204 Mass. 253, it was disclosed that a con-

signor ordered merchandise to be shipped over a specified route, *at the risk of the shipper*. The initial carrier failed to ship the goods over the route indicated in the bill of lading. The merchandise was destroyed en route and the owner sued the carrier to recover the value of the shipment.

The railroad contended that it was not liable because the bill of lading specified that the shipment was made at the owner's risk. However, the Court held the carrier liable, and said:

"There was a deviation from the journey prescribed by the contract, and in such case the common carrier cannot avail itself of such a provision in its bill of lading to relieve itself from liability, but becomes an insurer. This principle is well established both in England and America."

On the other hand where a valid contract pertaining to a shipment of goods exists between the carrier and the shipper, the issuance *later* of a bill of lading, containing subject matter conflicting with the terms of the original contract, will in no manner change or alter the terms of the contract. (100 N. Y. 491). This is the established law because a valid contract is not varied by subsequent procedure or acts unless the intentions of the parties are actually to alter the original agreement.

Another important point of the law is that where a consignor fails to follow the shipping instructions of the consignee, the latter is not required to fulfill the terms of the contract.

For illustration, in *Freeman Electric Co. v. MacMillan*, 264 Pac. 491, a shipper sued a consignee because the latter refused to accept a shipment and fulfill his agreement pertaining to the same. The consignee defended the suit on the grounds that the consignor had failed to follow his instructions to ship the merchandise over a specified carrier, and further that he had not marked the bill of lading "Parts of Carload."

In holding the consignee not liable, this Court said:

"The failure or nonperformance of time or place of shipment as set out in a mercantile contract justifies the party aggrieved in repudiating the whole contract. . . . Upon failure of plaintiff [shipper] to obey shipping instructions, he cannot recover damages from defendant [consignee]."

Loss and Damage

IT is well known that if goods are delivered to a carrier in good condition and arrive at their destination in a damaged condition, or a portion of the goods are missing, a *prima facie* case of liability lies against the carrier. In other words, the carrier is *bound to prove* that the damage or loss did not arise from its negligence. Of course this rule cannot be invoked by a shipper until he proves in Court both delivery to the carrier in good condition and delivery by the carrier in damaged condition. (136 S. E. 694).

It is important to know, however, that the inclusion in a bill of lading of such terms as "shipper's load and count" rad-

LAW AND BILLS OF LADING

ically changes this rule and relieves the carrier of damages for lost or missing goods, *unless the shipper proves that the goods involved in the suit were delivered to the carrier, and that the same were not redelivered by the carrier*.

For illustration, in *Dwinell v. Duluth*, 218 N. W. 649, it was disclosed that a shipper sued to recover the value of goods which he claimed were missing on delivery. The bill of lading contained the limitation "shipper's load and count." The Court explained the legal effect of this clause, saying:

"To a claim for loss because of alleged failure to deliver the whole amount transported, it [shipper's load and count] has the effect of placing the burden upon the shipper to prove that the amount specified was loaded and that a less amount was taken out of the car by the consignee; whereas in the case of a receipt *not so qualified the burden is upon the carrier* to prove that the amount specified in the bill of lading was either not in fact loaded, or was delivered, or otherwise to settle for the full value thereof."

Also, a bill of lading which contained the words "weight and contents unknown" was held to relieve the carrier from responsibility where disagreement arose with respect to the weight of the merchandise. (49 Ill. App. 567).

An Ambiguous Provision

HOWEVER, an ambiguous provision in a bill of lading is invalid and unenforceable. For illustration, in a leading case (51 N. Y. 410) the bill of lading contained the following clause:

"All damages caused by the carrier, or deficiency or cargo from quantity, as herein specified, to be paid by the carrier and deducted from freight."

The Court held this clause not to constitute an agreement by which the carrier was bound by the quantity of the goods specified in the bill of lading.

In still another leading case, *Thomas v. Atlantic Coast Line Railroad Co.*, 67 S. E. 098, it was shown that a carrier issued a bill of lading reciting that the consignor had received 600 sacks of meal in apparent good order to be delivered in like good order to a named consignee. The consignee received the car containing the shipment, under the shipper's seal, and without counting the sacks. When he examined the contents of the car there were only 569 sacks of the meal therein. He sued the carrier for the value of the missing goods.

The real question raised was whether a bill of lading issued by a carrier to the shipper, and transferred to the consignee for value, is conclusive evidence of the quantity of goods received by the carrier, or is it only *prima facie* evidence thereof? In holding it conclusive, the Court said:

"A bill of lading is regarded as having a twofold character, as a receipt for goods delivered and a contract for their shipment. In so far as it may be treated as a mere receipt, it is generally held that as between the original parties it is not conclusive but it is only *prima facie* evidence of the truth of its recitals

and may be varied or contradicted by parol. . . . Whatever may be the true view as to the effect of a bill of lading when no goods were delivered to the carrier, we think that in a case like this when goods were delivered, and the question is one merely of shortage in the number of packages in an admitted shipment, the representation of the defendant's [carrier's] bill of lading that a specific number of packages were received, without any qualification, is conclusive upon the carrier as between the carrier and the consignee or transferee of the bill of lading who has incurred loss or liability in reliance upon the correctness of the representations. It was the duty of defendant's [carrier's] agent to check the number of separate packages received for shipment, and if the agent chose to accept the shipper's count as his own, the loss should fall upon the carrier who gave the agent authority to issue the bill of lading rather than upon the innocent consignee or transferee who relied upon the recitals therein."

In another case (92 F. 286) evidence was introduced showing that the cars in which the goods were shipped were sealed at the place of loading and that the seals were found unbroken at the point of destination. The Court held this testimony proved that the carrier had safely transported the goods.

However, where a bill of lading does not contain a limitation clause and the bill passes into the hands of a consignee or transferee, who in good faith paid money upon the correctness of the bill, the carrier is *not* entitled to show that it did not receive the quantity of goods specified in the bill.

The Law of Agency

SOMETIMES controversy arises involving the question whether the shipper is the consignor's or the consignee's agent. Many cases have hinged on this question. For instance, the rights of the parties in later litigation, where a warehouseman ships another's goods, depends on whether the warehouseman, in making the shipment, acted for the consignor or consignee.

In the leading case of *Meyer v. Peck*, 28 N. Y. 590, it was disclosed that, at the time of the shipment, the consignee was the owner of goods which had been stored with a warehouseman who acted as the shipper. In this case it was held that, under these circumstances, the warehouseman is the consignee's agent, and therefore the Court permitted introduction of evidence to show that a mistake was in the bill of lading. Moreover, the fact, that a consignee gives an order to the warehouseman to make the shipment, and settles with him on the faith of the bill of lading, does not affect this rule.

Generally, the instant a shipment is delivered to a carrier, the title to the goods automatically passes to the consignee. Moreover, this is true although the bill of lading is issued in the shipper's name, providing he sent it to the consignee and instructed the carrier to make delivery to the consignee.

For instance, in *Popper v. Rosen*, 140 Atl. 774, it was disclosed that a shipper sued the consignee because the latter refused to accept the shipment in accordance with the terms of the contract. The consignee attempted to avoid liability on the contention that the title to the goods remained with the shipper, because the bill of lading was issued in the latter's name. However, in holding the consignee liable, the Court explained the law on this subject, saying:

"The general rule is that a delivery of goods to a carrier, pursuant to a contract of sale, is a legal delivery to the vendee [consignee] sufficient to pass title to the goods, and the carrier at once becomes the agent of the vendee [consignee] . . . This is not changed by the fact that the bill of lading was taken in shipper's name and forwarded to consignee with instructions to the carrier to make delivery to him. Nor is the rule changed by the fact that, after the defendant's [consignee's] refusal to accept the goods, plaintiffs placed them in storage subject to his order. The title to the glass being in defendant, plaintiff may recover the contract price."

On the other hand, if the bill of lading is issued in the consignor's name and he does not instruct the carrier to deliver the goods to another person, then the title to the merchandise remains with the shipper.

For illustration in *California Fruit Exchange v. John Meyer*, 116 So. 575, certain goods were consigned to the consignor on a straight bill of lading drawn in the latter's name. Upon the arrival of the shipment the consignor notified the person who ordered the shipment of its arrival and offered to surrender the bill of lading when the former paid for the goods. The account was not paid and the goods were sold at public auction.

The consignor sued to recover damages from the person who ordered the shipment, on the contention that the merchandise belonged to the latter the instant it was deposited with the carrier. However, the latter disclaimed liability because the shipment had been made on a bill of lading drawn in the consignor's name with no instructions as to whom the carrier should deliver the goods.

It is interesting to observe that the Court held that, as the bill of lading was drawn specifically in the consignor's name, the goods belonged to the latter. This Court said:

"Why is it, if the agreement was that the title was to pass from the seller to the buyer at the moment of delivery to the carrier, the bill of lading was not drawn to the consignee or its order? Plaintiff's [consignor's] explanation that it was not done because of its desire to secure the payment of the purchase price, is not convincing. The same object could have been attained by attaching to a draft the bill of lading running to the consignee, deliverable only upon payment of the draft. This would have been the simple and usual method followed in such cases."

Also, in *First National Bank of Chillicothe v. McSwain*, 75 S. E. 1106, it was

disclosed that F. M. & J. B. Pinson, doing business at Cross Hill, S. C., ordered from the Adams Grain & Provision Co., Richmond, Va., a carload of perishable merchandise. The Virginia corporation bought the goods from the Standard Cereal Co., at Chillicothe, Ohio, and ordered shipment to the Adams Grain & Provision Co., "Order notify F. M. & J. B. Pinson." The Standard Cereal Co. drew a draft on Adams Grain & Provision Co. for \$389, the amount due for the purchase money, which draft, with the bill of lading attached, was sold to the First National Bank of Chillicothe.

When the car arrived at Cross Hill, and before the draft was paid, McSwain brought suit against the Adams Grain & Provision Co. and had the merchandise attached for a debt.

The merchandise was of perishable nature, and it was sold by an order of the Court. The sheriff retained the money, ready to deliver it to its rightful owner. The bank at Chillicothe, which was the owner of the draft with bill of lading attached, notified the sheriff that it was the owner of the goods and demanded the money.

McSwain, in the attachment proceedings, failed to give the bond, and the sheriff paid to the attorneys for the bill the amount representing the proceeds of the sale of the goods.

The receipt given to the sheriff set out: "This receipt is on account and is not accepted in full of the amount due it."

Later McSwain filed suit to recover the money from the Chillicothe bank, contending that the latter was not the rightful owner of the goods when the same were sold. However, the Court, in holding the bank to be the legal owner of the merchandise, said:

"The Cereal company was the owner of the bill of lading and when it assigned it to the plaintiff it carried the title. . . . A bill of lading is a negotiable or quasi negotiable instrument, and when the shipper, who was the owner, transferred it, for value, to the plaintiff, nothing that might have been said, or done by Adams Grain & Provision Co. the Pinsons or anybody else, could affect the title of the plaintiff thereto."

Newly Established Points

THE purchaser of a bill of lading acquires the same title and rights originally possessed by the shipper, and he may sue thereon. (21 F. (2d) 618)

An indorsement on order bill of lading which is not signed by the shipper does not change it into straight bill. (295 S. W. 183)

A bill of lading which is indorsed in blank and consigned to the shipper's own order possesses legal title to the transferee. (110 So. 904)

The holder of a negotiable bill of lading which is pledged as security for a loan, loses his right to a lien on the goods by giving or intrusting the bill temporarily with the original owner. (109 So. 834)

Where goods, purchased with the

money received from a forged bill of lading, are delivered to the carrier, the consignor cannot stop goods being delivered by the carrier to the consignee. (135 Atl. 185)

A bill of lading with a draft attached thereto, as the purchase price, is a negotiable instrument. (251 Pac. 188)

The unrestricted delivery of a draft with the bill of lading attached thereto is a legal sale of the shipped property, providing the delivery of the bill was willingly made by its holder. (5 La. App. 391)

The contents or wording in a bill of lading may be contradicted by the shipper to the consignee by showing mistake, error, or false statements therein. (258 Pac. 148)

The title to goods does not vest with the holder of the bill of lading, if the original owner proves that the original intentions of the parties were not to pass the title. (136 S. E. 803)

The terms of a bill of lading, which actually is a part of the shipping agreement, can be modified only by a written agreement between the shipper and the consignee. (21 F. (2d) 447)

In suing on a bill of lading for the loss of goods the date the injury occurs is when the carrier should have delivered goods but fails to do so. (218 N. Y. S. 287)

A notice in a bill of lading stating that the goods were received by the consignee in good order as well as other similar statements can be shown to be incorrect. (16 F. (2d) 181; 3 S. W. (2d) 109)

An indorsement on a bill of lading must be shown to be made by an authorized person or it is ineffective and void to the holder. (20 F. (2d) 462)

Crann Firm Buys Campbell's

Announcement is made that the Crann Storage Co., Ltd., Vancouver, B. C., has purchased Campbell's Security Fireproof Storage & Moving Co., Ltd., which, established in 1898, was headed by F. D. Gross, who is president of the Mainland Transfer Co., Ltd., and of the Vancouver Warehouses, Ltd. J. A. Crann is president of the Crann Storage Co.

The Campbell firm has been operating a modern, fireproof household goods warehouse with 25,000 square feet of floor space and held memberships in the Canadian Storage & Transfermen's Association, National Furniture Warehousemen's Association and Pacific Coast Furniture Warehousemen's Association.

The Campbell name will be retained by Mr. Crann, and the offices of both firms will be at the Campbell house, 786 Beatty Street.

Whittier, Cal., Firm Sold

The Whittier Transfer & Storage Co., Whittier, Cal., has been sold by E. L. Essley to A. O. Pierce, who will continue the business under the same name.

Mr. Essley, who is Whittier's chief of police, had operated the firm since 1903.

Keeping Up with the Developments in the Motor Truck Field

FOR the busy executive of a warehousing business who is keen to keep abreast of the times there are several important new things to think about in the field of motor hauling. Developments are following one another at a rapid pace, and all have a distinct bearing on the cost and opportunities of handling the hauling requirements of any warehouse business, regardless of its size. There are many advancements being made on the manufacturers' side of the industry, and some of these will be discussed in this department, which is conducted

By PHILIP L. SNIFFIN

THIS MONTH

Analyzing Truck Requirements for Greatest Economy

THE greatest need of those who are today striving for better methods of warehouse delivery is for help in organizing future requirements so that the use of delivery equipment can be planned in advance.

Delivery executives and those engineers who offer consultation on motor truck use have long recognized that much economy could be gained if some of the waste of haphazard day-to-day operation could be avoided. Not enough concerted study has been made to arrive at some means by which deliveries could be placed on a basis of regularity and evenly-matched routine as is possible in other departments of the business.

To the writer's knowledge, no specific facts or experience that could be of value have ever been organized or compiled regarding this phase of the subject as applied directly and entirely to the warehousing field. Whatever efforts have been made to establish any precedent on which

to work in the warehouse field, have been done individually and in such a way that, as common knowledge, they would be more misleading than helpful.

However, a survey has recently been completed in New York City which covers this subject and which is very interesting. Since it attempts to cover this phase of deliveries in a way that is broad enough to apply to any set of conditions or any kind of business, it should be valuable to any warehouse executive who seeks to obtain a general perspective which he can in turn apply to his own business. The statement regarding it is given here as reported in a paper by Clinton Brettell, Superintendent of Garage of R. H. Macy & Co., New York City, who conducted the survey.

Mr. Brettell has taken a basis for judging and matching requirements and then has applied this basis to four distinctly different classes of business.

How Knowledge of Needs Helps

If any delivery system is to function efficiently it is necessary that the maximum number of delivery units be in serviceable condition during peak business periods, the dull seasons being utilized for the bulk of reconditioning work—mechanical, body and paint. By the same token, for efficient garage operation the needs must be accurately known, in advance, and work planned and scheduled to keep the garage personnel going at high pressure the majority of the time.

The desired results can be accomplished only by knowing, in advance, definitely what the equipment needs of delivery will be from day to day, throughout the year, and then arranging maintenance work to meet those needs in so far as possible.

The scheduling of garage and delivery requirements can most readily be arrived at by the use of delivery charts, prepared from previous years' figures, on the basis of whatever units are most readily adaptable to the business in question.

To show that the system under discussion is adaptable, with modifications to suit particular industries, to prac-

tically any line of business, four typical classes have been selected—retail dry goods, chain store grocery, oil, and general haulage. The latter is one line that is not so amenable to scheduling as the others. The cases selected represent: (a) one of New York City's largest department stores; (b) a large oil company with headquarters in New York City; (c) a chain store grocer, operating in the metropolitan district; and (d) a haulage contractor operating in the New York area.

Charting

In considering the first division, retail dry goods, it will be found, as will be seen later, that there is one very extreme peak, of fairly long duration around Christmas holiday time. In such a business it is of prime importance to have the schedules very carefully worked out so that when that peak arrives the equipment will all be ready for it; and also a means of taking care of the garage personnel during that period when practically no vehicles will be in the shop.

As the business has two major branches, furniture and merchandise, the type of equipment used and the

peaks of which do not correspond, it is necessary to chart these two departments separately, and then schedule the garage work to accommodate itself to the two branches.

Charts should be prepared which will depict the number of trucks required to effect deliveries of package and bulk each week during the past two years (each year plotted separately). From such charts it would be noted that the peaks and low points for the different types of delivery occur at about the same time and cover approximately the same period each year. Package and bulk from both the store and the suburban depots and furniture delivery from the warehouse where the furniture is stocked, would be shown.

The majority of overhauling and painting of package cars should be completed during the period of smallest demand for that class of trucks. The low gaps on the chart show exactly when these periods are, and how many trucks can be spared at a time.

A further sub-division of package car requirements as between store and suburban depots can be had from the chart, and a schedule set that will determine the proportion of cars to be withdrawn,



This new van, placed in service by the Bekins Van & Storage Co. in Los Angeles, is of a material called "Duralite," an aluminum alloy manufactured by the Aluminum Corporation of America and declared to have virtually the same tensile strength as steel although weighing only one-third as much. Mounted on a GMC 6-cylinder truck, the body is 18 feet long from dash to rear, 7 feet 6 inches wide and 7 feet 8 inches high, and weighs 2060 pounds—a saving of 1200 pounds as compared with an ordinary body built of wooden frame, etc. No wood is used in the construction. More than 3000 "Duralite" rivets hold the body together. The body was built by the Yankee Motor Body Co., Los Angeles, at a cost of \$2,250. The Bekins firm's hauling is all done on the weight basis, and it is the belief of Milo W. Bekins, the firm's president, that during the first year the truck will earn sufficient revenue, by carrying additional pay loads in it, to cover the extra cost of the vehicle. The center oval on the side of the van is space for advertising posters changeable every thirty days.

as between store and suburban depots.

The difference between the maximum number of cars of any type required at a certain period and the total number of that type in the fleet, gives the number that can be withdrawn from service at that time. The maximum number required is obtained by examination of the chart for that particular type of car, and then adding to the figure thus obtained whatever percentage of yearly increase is anticipated.

By doing this for the several graphs involved, a weekly schedule of cars to be withdrawn from service for mechanical, body work and painting can be arrived at.

For instance, it may be that from January to June is the period when the maximum number of cars can be withdrawn from service, both as regards package cars (suburban depots and stores) and furniture cars (warehouse).

There may be a minor peak period for furniture cars during February and early March (due to February furniture sales), at which time fewer furniture cars can be held out of service. Another period during latter part of July and early August is somewhat slack as regards need for furniture trucks and they can again be withdrawn to considerable extent during that period and also during October. By November 1 all cars (package and furniture) should be ready for service and kept out of the shop until Christmas, except for most urgent repairs.

On package cars there is a lull in demand right after Christmas, which continues except for a slight peak in February and early March, until May. Thereafter suburban deliveries increase while store delivery holds about the same. Cars have to be shifted from store to

suburban depots during that period, to be drawn in again in the fall.

In this way it is possible to lay out a schedule of cars available for shop each week and then arrange the garage force to handle that schedule. Sudden emergencies may call for temporary increases in that force, to take advantage of any idle time of cars for reconditioning, as it is difficult at best to crowd all the necessary maintenance into ten months, with several of those months having fairly large demand for cars.

As noted, during the latter half of November and all of December, the maximum fleet is required for all deliveries. No overhauling or painting is scheduled for that period.

This leaves a dead spot as regards employment of garage personnel, which means either to disband that force temporarily (which, of course, is not a practical procedure with a highly trained

force of this kind), or find other useful employment for them.

Naturally the latter plan is the one followed. There are spare bodies to be reconditioned for another season, garage machinery to be overhauled, buildings to be painted, and many other departments have an overflow of work at that season which calls for additional help. The superintendent of garages, working through his superior, is able to effect these temporary transfers, thereby keeping his organization intact and at the same time unburdening the garage of this excess labor and expense while making it available for the department where it is urgently needed.

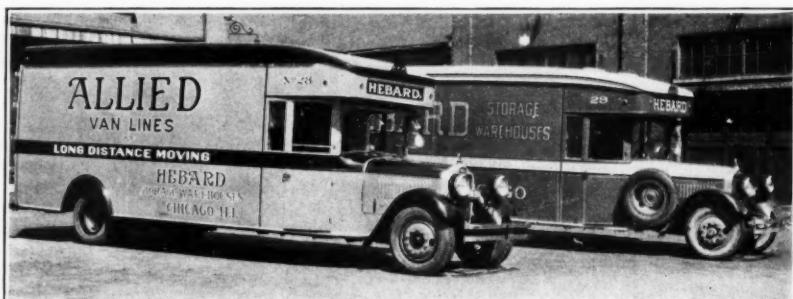
How These Principles Apply to Other Lines

WE will now pass to the consideration of an entirely different field of delivery—that entailed in the distribution from so-called refined stations or depots of petroleum products, consisting of lubricating oil, grease, wax, etc.; in barrels, cans, cases etc.; oils in bulk; gasoline and kerosene in bulk; the same in drums; fuel oil in bulk, etc. The products in containers, of course, call for platforms, stake or rack trucks; those in bulk are delivered by tank trucks; the fuel oil calling for a special development of that type, equipped with pump, heating coils, etc.; gasoline in Greater New York calls for a special type of tank truck approved by New York City authorities, etc.

While the nature of the material delivered is vastly different from that in the system previously described, the underlying principle of scheduling is essentially the same.

In this case the delivery charts would be made up on basis of requirements for tank trucks and stake trucks on kerosene; on lubricating oils; on fuel oils; on grease, etc., each subdivided as between city and country deliveries.

The chart for gasoline trucks would show high peaks in summer and low valleys in winter, for country stations, with somewhat same condition, only to much slighter extent, for city stations; kerosene would show the reverse save for some exceptional cases, such as



These two vans recently added to the fleet of the Hebard Storage Warehouses, Chicago, are the eleventh and twelfth White trucks purchased by this firm. Each is White Model 50-B bus chassis; wheelbase, 230 inches. Note that one of them is painted for use in connection with the Allied Van Lines, Inc., the new inter-city removals agency of the National Furniture Warehousemen's Association.

summer bungalow colonies where kerosene would be used for cooking in summer, with no consumption in winter due to bungalows being closed. A station whose principal kerosene business is of that nature would therefore show about the same demand for trucks for kerosene delivery as it would for gasoline.

The method of procedure is practically identical with that already described. The falling off in needs for one type of truck at suburban stations is balanced to some extent by increase in demand for that same type at city stations; and trucks will have to be shifted to correspond. On the whole there is much less delivery equipment used during winter season than in summer season, and the bulk of reconditioning should be scheduled for the former period. By the same token there is less shop work in the summer, and that is the time for plant maintenance jobs. Also the road work is somewhat greater during that period, due to number of cars on the road and wider territory served; hence some mechanics could be advantageously transferred from central shops to road inspection force.

The chain store grocer selected as typical operates a grocery department and a bakery department. Its delivery equipment consists of tractor and semi-trailer units to pick up and deliver to warehouse the incoming supplies, and to redistribute same to 600 chain stores on various routes, the furthest point being 110 miles from the warehouse; four-wheel trucks of 1 or 2½-ton capacity to deliver bakery products to the stores within fifty miles of the bakery, and also for special grocery loads, and Ford coupes for the district superintendents who supervise the stores.

Conditions Vary with Seasons

HERE again the procedure is analogous to that described in the other two groups. In this business, however, while actual sale of foodstuffs falls off in the summer months, the distribution also widens out in radius (as suburban stores increase their business due to summer residents, the city stores falling off correspondingly) so that, owing to



This \$8,000 piece of moving equipment, "Miss Ok'ahoma," and the largest of its kind in the State, was recently put in service by the O. K. Transfer & Storage Co., Oklahoma City, Okla. During its first week of operation a large xylophone was installed in the interior and, with a musician playing, the van paraded the residential and business districts. Mounted on a 50-B White bus chassis equipped with air brakes and with electrically-lighted signs in front and around the body and with two interior dome lights, the van inside measures 16 feet 4 inches long, 7 feet wide and 7 feet high. The cab has a double berth for driver and helper as sleeping quarters. The body is of plywood covered with felt and then sheet aluminum in solid panels. Upright and framework are of ash. This vehicle, to be operated in long distance work, is the first of a fleet of such units

the longer haul, about the same number of trucks is needed to handle the smaller volume of business, at greater distances, in the summer.

In that case the problem resolves itself into one of having sufficient extra trucks to allow an approximately equal number to be withdrawn for service during all twelve months of the year, and to complete all the necessary reconditioning during the twelve months.

There are of course periodic sales of some particular article, coming at no fixed time of year, that make temporary peaks in the demand, but as these are of short duration, they can be planned for as they are about to occur and handled by higher pressure on the delivery.

The general haulage business is amenable to little or no advance sched-

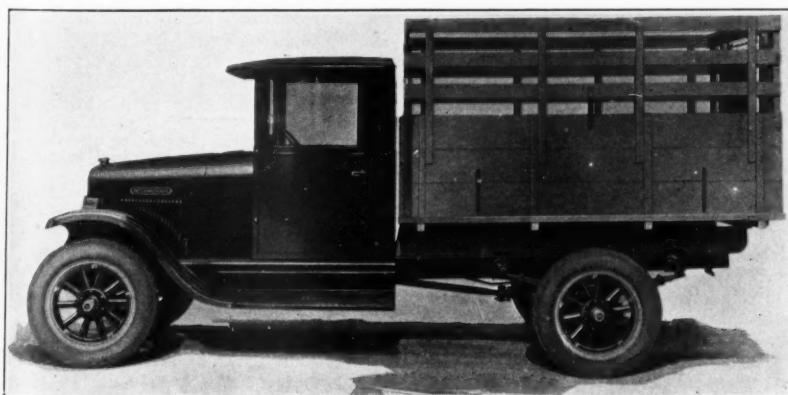
uling, as it is the function of the sales branch to keep the maximum number of wheels turning at all times, the income of the business being largely a direct function of that factor.

To be sure there are certain general trends in this field also that will serve as a guide for a limited amount of planning. Where the fleet is composed of dump trucks and platform trucks, the former find their utilization in haulage of coal, building material, road materials, this class of work being largely a seasonal occupation, which (except for coal delivery and snow removal) falls away very appreciably in winter.

The platform trucks find year-round employment to a considerable extent, being largely on yearly contract, with a slight excess in summer.

This would seem to indicate the winter months as the logical period for most of reconditioning. However, as previously noted, this is a problem for the sales branch of the organization to work with, to the end of having no dull period, and the scheduling can therefore be done in only a very tentative manner, of course by use of charts, prepared from previous years' operations and made up separately for the various types of trucks.

In the foregoing the writer has sketched the application of scientific coordination of garage and delivery schedules in four typical fields in which he has actually carried these principles into operation. They are adaptable to a greater or less extent to any field of automotive delivery, and it is only by such methods that the goal of efficient and economical operation can be attained.



This is the new one-ton "Six-Speed Special" of the International Harvester Co., Chicago, described in the August issue of DISTRIBUTION AND WAREHOUSING

Truck Transportation Congress to Be Held Oct. 23-26

PLANS for the 1928 convention of the Midwest Motor Truck Transportation Congress, which will be held in the Manufacturers' Building at the Indiana State Fair ground in Indianapolis on Oct. 23-26, are being rounded out by Tom Snyder, Indianapolis, chairman of the congress's advisory board.

Simultaneously with the holding of the congress the Motor Truck Association of Indiana, of which Mr. Snyder is secretary, will hold its eleventh annual convention.

The congress is composed of representatives of the Motor Truck Association of Indiana, the Ohio Association of Commercial Haulers and the Motor Truck Club of Kentucky. Selection of Indianapolis as the convention city was brought about through the efforts of Snyder, Henry T. Davis, manager of the convention bureau of the Indianapolis Chamber of Commerce, and William H. Arnett, managing director of the Indiana State Chamber of Commerce.

With a view to enlisting cooperation by other organizations than the Ohio, Kentucky and Indiana associations originally sponsoring the plans, Mr. Snyder sent out a call for a conference at North Bay, Wis., on July 28 and 29. The result of that meeting was endorsement by the Nebraska Motor Transport Association, Minnesota Truck Owners' Association, Wisconsin Truck Owners' Association, Dakota Motor Carriers' Association and Louisiana Motor Transportation Association, together with adoption of resolutions from which the following are quoted:

"A Motor Truck Transportation Congress of such character as the one planned will attract the interest and attention of all classes of users."

"Speakers of the greatest experience and knowledge of the industry's problems can be heard."

"Truck transportation and its great contribution to the industrial and social welfare of America can be depicted; the city, State and national legislators can be invited to attend, assured that much prejudice and many erroneous impressions will be broken down."

"Truck association secretaries now unknown to each other, yet struggling in a common cause, can meet and learn to help each other and thus aid every motor truck owner in America."

Opinion was expressed in the resolutions that the congress bids fair to become an annual national event, with prospect of the formation of a permanent working organization of truck association secretaries.

"Surely this is making motor truck history," Mr. Snyder said following the conference. "The midwest movement to hold a congress, to be followed by a national congress yearly, incidentally making the latter the foundation for a working, producing, national association of operators, is of unusual importance."

"There is no other industry in America of such importance and proportion which is so unstandardized and misun-

derstood by its followers as that of applying motor trucks to cartage distribution and transportation."

"For a number of years there has been a crying need and today there is a national demand for information covering every phase of truck application."

With detailed plans rapidly being rounded into shape by the various congress committees, composed of large-scale operators from three States, announcement has been made of a partial list of some "high point" subjects to be explained and discussed at the sessions. The topics will be presented by an able corps of speakers, it was announced, chosen from among authorities in their respective fields. Subjects include:

1. Coordination of truck, rail and water ways.
2. Tire equipment to meet road weight limitation laws.
3. City street congestion, traffic rules, safety movements.
4. How far trucks can use existing rail classifications and rates.
5. How central truck terminals increase volume, dependability and income.
6. Specialized equipment to meet industrial delivery, transfer and distribution problems.
7. Split tariff legislation and regulation, intra and interstate.
8. Per-package and per-route mile cost in merchandise delivery.
9. The relation of truck transportation to warehousing.
10. Investment, earning capacity, cost of maintenance.
11. Types of equipment and accessories, etc.

Worcester Reorganization

George A. Bowker of Worcester, Mass., has retired from active business because of ill-health and has transferred his interests in George A. Bowker, Inc., a merchandise and household goods storage firm, to C. E. Barrett, who is now the operating executive.

In order more clearly to identify the nature of the business in the public mind, the board of directors has voted to change the firm's corporate name to the Central Warehouse & Distributing Corporation of New England. The company was established in 1923 and is a member of the Massachusetts Warehousemen's Association.

Henry C. Goodman Hurt

Henry C. Goodman, president of the Goodman Transfer & Warehouse Co., Birmingham, Ala., met with a mishap while driving in his automobile to the French Lick, Ind., convention of the National Furniture Warehousemen's Association in July. The car overturned. Mr. Goodman's arm went through the windshield and it was necessary to take fourteen stitches in the arm, and he attended the meeting with the arm bandaged.

Mrs. Goodman escaped uninjured.

New Models

COLEMAN MOTORS CORP., Washington, D. C.: A 6-wheel drive model has been developed for handling heavy loads. The wheelbase is 141 inches between the front and front rear axle and 53 inches between the two rear axles. The frame provides 216 inches of loading space behind the cab. While the truck is furnished with 42 x 9-inch single pneumatics on all wheels, 42 x 9 dual pneumatics can be supplied on all rear wheels when necessary. Cabs are available either opened or closed type in three different widths. The engine, mounted forward of the front axle, is a 4½ x 6-inch, 6-cylinder Buda Model GL.

Diamond T Motor Car Co., Chicago: Two 6-cylinder vehicles for general purpose work in the 2-ton and 2½-ton field have been announced. Equipped with hydraulic 4-wheel brakes, cam and lever steering for easy handling in crowded traffic, 4-speed transmission, worm drive rear axle and other features of advanced design, they are outstanding examples in truck construction. Both models are powered by motors specifically designed for the heavy demands of truck service. The 2-ton, designated Model 400, has a motor developing 66 hp. at 2400 r.p.m. The 2½-ton, Model 502, has a larger motor and develops 74.5 brake horsepower at the same low engine speed. Features of chassis design include the latest type internal expanding Lockheed hydraulic brakes on all four wheels, with unusually large braking area. The load is carried to the rear springs through special hangers of Diamond T design, eliminating use of springs or shackles and obviating need for shackle lubrication. Steel spoke wheels with solid tires are standard equipment, though pneumatic tires and Budd wheels, with dual wheels in rear, are optional at extra cost. Special equipment includes a new Diamond T steel cab shock-insulated by three point rubber mounting. It can be used as full open, half door, or fully inclosed cab to meet all weather conditions and is equipped with comfortably upholstered seat, adjustable clear-vision windshield and other features. Standard wheelbase on the 2-ton is 163 inches. Two standard wheelbases of 163 and 173 inches are available on the 2½-ton. Optional wheelbases on both models are available at extra cost, ranging from 141½ to 188 inches.

Warren Warehouse First in Chain

The Motor Freight Terminals Co., Inc., has been organized in Warren, Ohio, with offices and warehouse at West Simmit Street and North Tod Avenue, to carry on a storage business and long distance forwarding of merchandise by motor truck and rail.

Shipments are consolidated at the Warren plant, which, according to W. E. Ellenberger, the president, is the first unit of a chain of terminals which the company plans to establish in various cities.

WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of general interest to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

California to Be Locale of Winter Conventions of National and American. N. F. W. A., Jan. 18-22 in Del Monte; A. W. A., Jan. 25-29 in Los Angeles

CALIFORNIA will stage the winter conventions of the storage industry's two major trade organizations. The National Furniture Warehousemen's Association will open its annual meeting in Del Monte on Jan. 18, a Friday, and conclude it on the 22nd, a Tuesday.

Three days later, on the 25th, the American Warehousemen's Association will begin its annual con-

vention in Los Angeles and conclude it on the 29th.

The National has long been accustomed to begin its conventions on a Friday, so that there could be a Sunday of rest and relaxation to break in on the business strain, but this is the first time that the American will have adopted such an arrangement. The National has found that the plan has worked out successfully.

Earl C. Iredale



Recently chosen president of the Illinois F. W. A., Mr. Iredale is president of the Iredale Fireproof Warehouses of Evanston, Winnetka and Highland Park, Ill.

Texas

WITH about eighty-five storage executives attending from all parts of the State, the Texas Warehouse & Transfermen's Association held its summer meeting in Mineral Wells on Aug. 2, 3 and 4. Warehousemen were present also from Oklahoma, New Mexico, Arizona and Louisiana.

New Membership Affiliations

American Warehousemen's Association

(Merchandise Division)

Black Transfer & Storage Co., El Dorado, Ark.
Helsing Storage & Transfer Co., Birmingham, Ala.
Hess-Strickland Transfer & Storage Co., Inc., Birmingham, Ala.

National Furniture Warehousemen's Association

Arlington Fireproof Storage Co., Los Angeles.
Douglas Public Service Corporation, New Orleans.
Ed. Werner, Pittsburgh, Pa.
Ferrin Van & Storage Co., Denver, Colo.
Fidelity Storage & Warehouse Co., Orlando, Fla.
Harrison-Shields Co., Pittsburgh, Pa.
Kay Moving Service, Inc., New York City.
Kellsore Storage & Van Co., Chicago.
Leonard Bros. Storage Co., Detroit.
McNally Bros., Inc., Brooklyn.
Paul Kortsch Cartage Co., Milwaukee.
Terminal Warehouse Co., Little Rock, Ark.

T. L. Waugh & Sons Transfer & Warehouse Co., Inc., Houston, Tex.

U. C. Express & Storage Co., Oakland, Cal.

W. J. Dillner Transfer & Storage Co., Pittsburgh, Pa.

Pennsylvania Furniture Warehousemen's Association

E. E. Zeiter, Harrisburg.

Texas Warehouse & Transfermen's Association

San Angelo Transfer Co., San Angelo.
Valley Bonded Warehouse & Storage Co., Brownsville.

U. C. Leckinger



The New York State Warehousemen's Association recently elected Mr. Leckinger its president. He is associated with the B. R. & P. Warehouse, Inc., Rochester, N. Y.

between warehousemen and banks featured the speeches and discussions. Barbecues, chicken dinners, golfing, swimming and dancing were the chief entertainments. Many of the warehouse and transfer men brought their women folks along and there were several social functions at club houses and hotels for them.

The first day of the convention was devoted to registration, introduction of

Committee reports, problems of vital interest to the warehouse and transfer men and a banker's talk of the relation

WITH THE ASSOCIATIONS

Distribution and Warehousing
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the members by roll call, and reports of the committees. K. K. Meisenbach, Dallas, president of the organization, was in the chair.

The legislative committee, of which W. I. Ford, Dallas, is chairman, reported on proposed legislation and what the committee was doing toward prevention of harmful statutes. This committee is in favor of legislation tending properly to regulate the warehouse and transfer business but is opposed to the business being "legislated to death." It believes the "fly-by-night" transfer men should be subjected to the same regulations that the bonded houses are under in order that the public may be fully protected.

The insurance committee, of which G. K. Weatherred is chairman, made its report on insurance necessary for transfer and warehousemen. This included fire, workmen's compensation, fidelity bonds and some of the automobile lines.

The advertising and business creation committee, headed by Ben S. Hurwitz, Houston, as chairman, reported the progress being made by that division and suggested newspaper advertising as about the best medium for the warehouse and transfer men for go after local business.

Inter-City Removals

The long distance moving committee, of which O. E. Latimer is chairman, submitted a report on this branch of the business, which was declared to be increasing from month to month. Discussion brought out the fact that there was no uniform schedule for charges but that as a general rule the proper charge could be found by a fixed hourly rate for employees engaged in loading and unloading, for use of vans and men on the actual trip, for wear and tear on the trucks, and for insurance necessary to cover damage and loss.

A code of ethics for the association was brought up by E. T. Keough and discussed at some length. While no definite code was adopted it was pointed out that there was sense and certainly no profit in cut-throat competition. It was claimed that any man in the warehouse and transfer business should make a profit on his work and investment and if he did not he could not remain in the business long.

Other committee reports included that of the employment committee by W. I. Ford; household goods committee, by L. G. Riddell; merchandise, by D. W. Tackett, and rigging and heavy hauling, by F. G. Dorsey.

Constructive talks were made on "The Warehouseman's Banking Relations" by L. R. Bryan, vice-president of the Second National Bank of Houston, and "Analysis of Compensation Insurance Experience," by W. Shoe, of the State Department of Insurance.

Mr. Bryan discussed the warehouseman's business from the banker's standpoint and pointed out why the warehouse was essential in present day business. He talked of the kinds of warehouses, their functions and service, warehouse receipts and how banks

handle them, losses, laws, and fidelity bonds. His analysis of the banking business in relation to the warehouse game gave the warehouse and transfer men an inside view of the relations of the two businesses and made plain to them why warehouse receipts must be in "due form" before the banks could accept them as collateral. Members said later that his talk would be a great value to them in view of the fact that there was a constant increase in the handling of commodities through warehouses where the warehouseman is a third and a very interested party to the business transactions.

Mr. Shoe's address on compensation insurance was designed to explain the manner in which rates for this line of coverage are found and how and why the "loss payments" are distributed over a period of months.

Neill H. Bannister, Houston, the association's executive secretary, suggested some changes in the Texas scheme for covering workmen and the charges made for the coverage. His suggestions were taken back to Austin by Mr. Shoe for consideration any time the board thinks there should be changes in the present assessment plans for compensation coverage.

The Kansas City Plan of Estimating was discussed at some length. It was pointed out that the plan had its excellent points and what might be called bad points if applied as a whole to the southwestern section of the country. The discussion brought out the fact that estimating must take into consideration local conditions and that while it was certain that no warehouseman would lose money by making the Kansas City Plan his rate book, it probably would be better to do the estimating on a basis peculiar to each job. Some members declared that it might be a good idea to have the Kansas City plan handy in making estimates but that, after all, actual experience, based on actual labor charge, depreciations of machinery, etc., was the proper way to do the business.

It was the consensus of opinion that motor freight operators should be members of the Texas organization and as such they should be under the same rule and regulations. There was a divided opinion as to motor freight terminals, their uses, and whether they were curtailing the drayage of the warehouseman.

Former Governor W. P. Hobby was a guest at one session. He made a brief talk on the need of warehouses and how the business had developed in the past few years.

—J. A. Webb.

Detroit

ALMOST the entire July meeting of the Detroit Furniture Warehousemen's Association, held at the Hotel Fort Shelby on the 6th, was devoted to a detailed report by John F. Ivory, chairman of the committee on objectionable practices, on the work undertaken by the committee in reference to alleged unfair practices of some concerns outside the association's membership.

The report, which was supplemented by E. J. McAllister, who cooperated with the committee in making the investigation, indicated that the activities of the association in this respect were accomplishing the desired result and that most of the practices complained of by the members had been greatly reduced or virtually eliminated, at least for the present. Most of the members found that cancellations, which amounted to several a day in some instances in March, April and May, had dropped to normal since the investigation of suspected cases of cancellation by other moving companies.

Other types of unfair competition, with which the report dealt at length, also had been reduced considerably, Mr. Ivory said, and would probably be eliminated entirely before long.

The committee was instructed to seek the cooperation of other interests involved outside the moving and storage industry to check some of these objectionable methods of securing business.

National Truck Owners

DELEGATES attending the twenty-sixth annual convention of the National Team and Motor Truck Owners' Association, at the Hotel Schroeder, Milwaukee, in July, paid a great deal of attention to rates charged for hauling, as this was considered as one of the most important problems of the industry today.

Rates on an average throughout the country were moderate, it was stated in the open forum discussion. It was brought out that a certain mid-western city was paying a trucking concern \$5,000 a year to take care of its hauling for city construction purposes, etc., and that the number of vehicles employed was seven trucks and three teams.

There was considerable business to be had for the man who owned a fleet of trucks, according to delegates. Various commercial and construction work throughout the entire country called for the use of trucks and the owner of a fleet had an excellent chance to keep them all busy during the season. Long distance hauling of large quantities of material was possible at moderate rates with the use of fleet trucks, speakers stated. As the public was getting more accustomed to using trucks for this type of work, a natural increase in such business was being experienced by motor truck owners generally.

Officers were elected on July 24 as follows:

James Simpson, Pittsburgh, president; John Broderick, Chicago, first vice-president; George Oberholzer, Philadelphia, second vice-president; W. J. McDevitt, Cincinnati, treasurer; Daniel J. Harvey, Pittsburgh, secretary. The following were chosen as directors: A. T. Barton, Kansas City; Robert Clark, Cincinnati; F. A. Brettain, St. Louis; Charles Nielsen, Detroit; Hugh Gannan, Philadelphia; Joseph Snyder, Buffalo; John R. Taylor, Cincinnati; Joseph L. Downing, Buffalo; G. Duerr, Chicago;

Foster Morton, Detroit; W. Broderick, Chicago; William Winkler, Chicago; H. Tevis, Jr., St. Louis; D. A. Kirby, Pittsburgh; John C. DeVenne, Cleveland, and Joseph Cavanaugh, Philadelphia.

The convention opened on July 23, with Cornelius Corcoran, president of the city council, making a welcoming address. He told of the progress Milwaukee had made during the past ten years in civic improvements, etc., and invited the delegates to inspect the city. Present day commerce depended a great deal on the owner of a fleet of trucks, he stated; modern transportation was being helped by the use of trucks which enabled the country's traffic systems to penetrate every section of the United States.

James Simpson, president, in his annual report stressed the work the association had done during the past year, a membership drive which had resulted in an increase.

In the open forum discussion a number of instances were brought up by delegates about trucking conditions which they claimed were unfair to the trucking industry. Examples were cited of cases where firms employed a "rent and drive your own truck" system in order to get volume business. Delegates, from an association standpoint, were against any practice of this kind, stating it was detrimental to their business and that such firms usually charged high prices and the public did not get the right kind of service.

This type of truck renting constituted one evil which the association and the industry would have to try to eliminate, it was declared.

The following day's session opened with R. Johnson, president of the Milwaukee Motor Club, addressing the delegates. He outlined the purpose of this civic organization formed for the improvement of motoring conditions, and stressed the fact that in Wisconsin there was a law which limited the combined weight of truck and load to 24,000 pounds on the State highways. While this law has been on the statute books for many years, it has never been enforced until this year. Several instances were quoted by Mr. Johnson to show that truck drivers had been arrested when their trucks were overloaded. This was a bad situation, he pointed out, because it entailed delay in delivery of load. The sufferers in most of the cases seemed to be the Illinois truck owners who came into Wisconsin and who were unfamiliar with the laws. It was urged by some of the delegates that proper legislation be urged in many States to avoid such trouble.

The ways and means committee introduced a motion to reduce dues from \$25 to \$10 but this was voted down. It was stated that the national association should go back to the plan of local association membership, as prior to 1923, but this was deferred for discussion and vote until the 1929 convention.

It was voted to establish a national ladies' auxiliary association, and Mrs. P. Finnegan, Chicago, was elected president.

Michigan

FROM the standpoint both of attendance and of importance of action taken, the June meeting of the Michigan Warehousemen's Association, held on June 25 in Detroit, was the outstanding business meeting since the organization of the association.

The problem of adopting a uniform tariff was discussed and the members agreed to adopt Illinois Tariff No. 9 as the official tariff of the association, with the understanding that supplements could be issued from time to time as necessity might arise.

It was pointed out that the Illinois tariff was an excellent one, well suited to the needs of public warehousemen of Michigan, and that it had the additional advantage of having been tried and proved by use. There has never before been any standard practice among the Michigan warehousing institutions in reference to tariff regulations. O. E. Speck, Detroit, treasurer of the association, presided in the absence of Howard L. Brown, president, and James D. Dunn, vice-president.

The first action was the adoption of the code of ethics and code of practice.

The Code of Ethics and its companion instrument were prepared by a special committee and they were adopted unanimously and the members bound themselves to follow the provisions in their dealings with one another, their employees and the public.

Discussion of arbitration of any controversial matters that may arise among members, resulted in the presentation of an amendment to the by-laws so as to provide for an arbitration committee and the setting up of the necessary machinery to permit such a committee to function properly. The amendment was carried and the committee was appointed.

Mr. Speck announced various committee appointments made by President Brown, as follows:

Merchandise Storage: O. E. Speck, chairman; C. H. Carew and S. A. Sted.

Traffic: George T. Hunter, chairman; T. G. Hewson and Fred J. Baier.

Cold Storage: George Love, chairman; H. S. Hall and Walter S. Morrison.

Arbitration: James D. Dunn, chairman; John F. Ivory and George Love.

One of the members brought up the topic of inquiries for warehouse space received by the Detroit Board of Commerce. It seems that many concerns about the country seeking warehouse space in Detroit, and unacquainted with the organizations operating in the city, write to the Board of Commerce for assistance in locating a warehouse. After some discussion a motion was made that a committee be appointed to call on the board and seek to have it advise the association of such requests in the future. W. F. Evans was named chairman of the committee, with T. G. Hewson and Fred J. Baier to assist him.

The problem of extending the transit privileges on sugar from six to twelve months was brought up for discussion, which resulted in a decision to request

Mr. Speck and the secretary, Don C. Jordan, to draft a letter to all railroads entering Detroit, asking their cooperation in securing this extension through the Central Weighing and Inspection Bureau.

The benefits to be derived by acquainting the local freight agents operating in Detroit with the association's activities and its membership was the subject of a discussion which led to the proposal to invite all the freight agents in Detroit to be the guests of the association at one of the weekly dinner meetings.

National F. W. A.

(Continued from page 20)

executive secretary of the N. F. W. A., who was elected temporary chairman; Wilson V. Little, executive secretary of the American Warehousemen's Association, who was chosen temporary secretary; and the following:

Paul Bekins, Sioux City, secretary Iowa Warehousemen's Association; J. Wallace Fager, Philadelphia, secretary Pennsylvania Furniture Warehousemen's Association; Sydney M. Green, Jr., Nashville, executive secretary Southern Warehousemen's Association; H. H. Hardy, Lansing, secretary Michigan Furniture Warehousemen's Association; Russell E. Hillier, Springfield, secretary Central Warehousemen's Association of Illinois; O. W. Kreutzer, Milwaukee, secretary Wisconsin Warehousemen's Association; R. L. Miller, secretary Detroit Furniture Warehousemen's Association; William R. Palmer, New Haven, secretary Connecticut Warehousemen's Association; George A. Rhame, Minneapolis, secretary Minnesota Warehousemen's Association; Frank J. Summers, Newark, secretary New Jersey Furniture Warehousemen's Association, and William H. Turner, secretary Cleveland Furniture Warehousemen's Association.

The purpose of organizing the secretaries is to effect closer tie-up in the activities of the State, regional and local associations with the policies of the National and the American. It was voted that the secretaries of all such associations which are recognized by the two major bodies should be automatically eligible to membership in the secretaries' organization.

Sydney M. Green, Jr., Nashville, Tenn., executive secretary of the Southern Warehousemen's Association, has notified that organization's members, at Mr. Kennelly's request:

"Pending completion of the arrangements under which the Southern members will definitely cooperate with the Allied Van Lines, any Southern members (who are also members of the N. F. W. A.) who so desire may paint suitable equipment with the name of the Allied Van Lines."

The Southern's members were informed also that registration of loads might be made through the Nashville office.

Coast Merger of Eight Household Goods Firms Into One Corporation is Explained

By RODNEY S. SPRIGG

THE Old Testament in many respects is historical, and statements made therein by the worthy men who were inspired to write that work and its various books are even today being substantiated by the explorations and excavations being made in the countries in which they lived—Northern Africa, Palestine, Assyria. But in a large part their work was prophecy of the future to come, and in still a larger degree was an explanation of events that had transpired. They sought to explain the earth, the plants, the animals, and the wonders of the universe, the inception of life, and the possibilities and probabilities of life hereafter, but in all their analysis of human nature and all that it stands for they never, as far as I have been able to discover, satisfactorily answered or explained the phenomena of man's desire to excel.

In no other form of life is there that innate desire to do better than the other fellow, or other animal as the case may be. Horses on a race track seem to be inspired oftentimes by their jockeys to make greater efforts in order to win a race and are almost human sometimes in their intelligent efforts, but would it be possible to turn a lot of horses loose on a track without jockeys and expect any sort of a race? We have whippet races, and yet it is necessary to have a mechanical rabbit for the dogs to run after. They have the instinct of the chase, but have no competitive spirit. That spirit, instinct, thought, or whatever else it may be termed, is certainly the base on which the human has built a superiority over the other elements of God's creation.

Today the business man in his desire to excel has become an organization man, for he has found in a competitive field of business today that the "lone wolf" is usually a hungry wolf, and that real success comes to him through association with others for the purpose of exchanging ideas for the benefit of all.

Within the past thirty days there has been consummated on the Pacific Coast a consolidation deal which carries out the spirit of the ancients and applies it to modern business. E. B. Gould, Judson M. Davis, Frank S. Payne, Chester A. Nelson, C. A. Horrell, J. R. Lathim, Jr., D. C. Bole, and myself—of the Pioneer Truck Co., San Diego; the Lyon Fireproof Storage Co., the California Highway Express Co., and the National

Warehouse Co., Los Angeles; the Long Beach Transfer & Storage Co., Long Beach; Lathim's Van & Storage Co., Santa Barbara; the Signal Transfer & Warehouse Co., San Francisco, and the Premier Fireproof Storage Co., Hollywood—have organized themselves together with the avowed purpose of extending to the public and their fellow warehousemen the very best and highest type of service that their collective minds can conceive.

For their leader in the enterprise they are all convinced that they have been

IT has been noticeable that American business has been experiencing a period of mergers, and throughout the warehouse industry there has been keen interest evinced in the consolidation of eight leading household goods storage companies in Pacific Coast cities under one name—the Lyon Van & Storage Co.

Distribution and Warehousing has recently published news stories on the situation, but the background is succinctly told in the accompanying article by Rodney S. Sprigg, who, as president of a company that is party to the merger, explains why the eight storage executives considered consolidation a wise step.

wise in selecting "Jay" Gould, known to the industry throughout the country for his ability and integrity. "Jay" is the lodestone in the organization, and yet without the metal to be attracted thereto he would be helpless. That metal that is attracted to him is the group of men who are working with him.

To read of the accomplishment is simple, but to understand and know of the many hours of conversation, the many letters, the many explanations of this, that and the other thing, that have occupied the time of the men engaged in this enterprise for the past six months, would mean, if they were all to be recorded, that several large volumes would have to be written. Certain volumes would be interesting only to those who actually participated, but

the results are interesting to the public at large and to men engaged in the same line of endeavor.

The organization was conceived some eight months ago, and at that time was not conceived in tangible form, but took on a nebulous figure, and the discussions were in the abstract, dealing mainly with the fact that such an organization would be desirable, that such an organization would be beneficial, but probably would never be accomplished, but in spite of the fact that it probably could not be accomplished, nevertheless it was a desirable condition and pleasant to think about.

Two months of conversation of this sort brought wonder into the minds of a number as to why such a condition should be purely nebulous and why it could not be actually accomplished. The determination to accomplish came at a meeting held in Santa Cruz last February. At that time there were present E. B. Gould representing the Pioneer company of San Diego, Frank Payne, representing the Lyon company of Los Angeles, Chester Nelson, representing the California Highway Express and the National Warehouse Co., Cam Horrell representing the Long Beach company, Ray Lathim representing Lathim's company, Frank Allen representing the California company of Los Angeles, Harvey Lyon representing the Lyon warehouses in Oakland, Adolph Becker representing the Becker Storage Co. of San Francisco, Clarence Lockett representing the Electric Transfer & Storage Co. of Sacramento, and myself representing the Premier.

The discussion developed to such a point that all present felt that such an organization as was contemplated was not only desirable but could be effectively consummated, with the result that all at that meeting agreed to go to their respective communities and bring information from their records as to their gross business, costs, and net results, to a meeting to be held in Atascadero some two weeks later. On thinking the matter over one of that group dropped out from the Atascadero meeting. At the Atascadero meeting "Jay" Gould, Chester Nelson, and Rodney Sprigg were appointed as a committee of three to appraise the warehouses that were still in the deal, the appraisals to be all on the same basis and to be for net results, it being understood that there was to be

no water and that the only figures to be considered were the net assets of the organizations, and accounts receivable and payable were to be guaranteed.

This committee under the chairmanship of Mr. Gould immediately went to work and appraised all of the plants in question. Three of them considered the appraisals unsatisfactory, or for reasons of their own decided not to enter into the organization at the present time. Eight companies, however, wholeheartedly indorsed and approved the work of the committee and agreed to enter into the organization on the terms and conditions outlined.

These companies—the Pioneer of San Diego, the Long Beach of Long Beach, the Lyon and the California High Express and the National and the Premier of Los Angeles, Lathim's of Santa Barbara and the Signal of San Francisco—made application to the Secretary of State of the State of California in May for a corporation to be known as the Lyon Van & Storage Co. That permit was eventually granted. Then application was made to the Corporation Commissioner's office for a permit to issue stock. The proverbial red tape of all

Success of Lift Truck Standardization Will Depend on Cooperation

THE success of the agreement reached by manufacturers and truck users of skid platforms and lift trucks with regard to dimensions, as set down in a story in the August issue of *Distribution and Warehousing* by Philip G. Loucks of the magazine's Washington Bureau, "depends on both the acceptance of the project on the part of the industry and the adherence accorded it," S.

F. Tillman of the Division of Simplified Practice of the Department of Commerce wrote to *Distribution and Warehousing* on Aug. 1. Mr. Tillman sent a sample acceptance blank, illustrated herewith. The form is being distributed to the manufacturers and users, the latter including warehousemen, throughout the country.

"I would like to thank you," Mr. Till-

Chattanooga Company Opens New Fireproof Warehouse



The Chattanooga Transfer & Storage Co., Chattanooga, Tenn., has moved into its new fireproof warehouse at 917-925 Carter Street. This structure, one of the most modern plants in the South, has a capacity of 75,000 square feet for both household goods and merchandise storage.

Fred A. Bryan, the president, purchased the Chattanooga Transfer Co. in 1918 while he was operating the Bryan Transfer & Storage Co., and the present firm was incorporated for \$150,000. In addition to its warehouse business the company owns and operates a large fleet of Yellow Cabs.

ACCEPTANCE OF SIMPLIFIED PRACTICE RECOMMENDATION

Please sign and return this sheet. Plain envelope inclosed.

Date.....

The Secretary of Commerce,
Washington, D. C.

Sir:

We, the undersigned, do hereby accept the original draft of Simplified Practice Recommendation No. 95, as our standard practice ("Production").

In (Use) **Skid Platforms**, for a period of one year beginning October 1, 1928, or until the present schedule is again revised, and will use our best effort in securing its general adoption.

To assist intelligent review of the effectiveness of the recommendation every year, by an accredited committee of all interests working in cooperation with the Department of Commerce, we will supply all data, upon request, which may be necessary for the development of constructive revision. It is understood that any such recommendations will be submitted as soon as formulated, and shall not be binding until accepted in form similar to this recommendation.

Signed.....

Title.....

Company?.....

Street address?.....

City and state?.....

We are members of the following associations or other organizations interested in the production or use of Skid Platforms.....

.....

.....

*Please designate which group you represent by drawing a line through the other.
**Kindly print or type write.

If you use skids and lift truck
send an acceptance blank to the
Department of Commerce

man said in his letter, "for the splendid article by Mr. Loucks. He was in constant attendance at the several conferences held in connection with this simplification project.

"It is well written articles of the type turned in by Mr. Loucks that assist us in putting over the simplified practice movement, and I cannot help but express both Mr. Hudson's [chief of the Division of Simplified Practice] hearty appreciation, as well as the other members of the staff of the Division, on the cooperation that you are giving us."

Old Family Album Unfolds Career of Homer McDaniel

(Concluded from page 26)

come in that generation whose survivors are now octogenarians that the market still exists, though the delightfully picturesque old stalls have long since been replaced by a system less artistic but vastly more utilitarian—and sanitary.

Boston was not alone in its dependence on the farms in the city's environs. New Orleans, the older Pennsylvania towns, and Cleveland, Ohio, retain still, for all their seething life, much of the staid, old-fashioned, wholesome way of living of a day long since gone. Many of the greens that filled the baskets taken to market by those early-day housewives still flourish in the squares that have come to replace the farmers' stalls.

But there is one marked difference.

Ice in those days was quite unused, and no great companies had been formed for its distribution. Ice, which ministers to our comfort and our health in myriad ways every day, relieves the modern woman of getting up at dawn to buy her lettuce and celery while the dew yet lingers, and it is ice that makes possible in the large cities a variety of rare and perishable foods such as egg plant, cauliflower, tomatoes, avocados, fresh figs. These have come to be known not as luxuries but as essentials, yet a generation ago they were novelties.

In the spring of 1890—a boom year in business—there was laid in Cleveland the foundation of what has since become one of the world's largest and best-equipped modern market houses. Plans for its erection were carefully considered. Cleveland's characteristic market, its sponsors felt, must combine utility with modern economics and yet be a potent factor in the social life of the people; modern, yet antique enough in form to give it that air of gentility which is a guarantee of quality in anything.

So well was the project developed that by Aug. 2 of the same year the new business was incorporated as the Sheriff Street Market & Storage Co., with an authorized capital of \$500,000. The site of the building was acquired by purchase from ten different owners and so capably was the project exploited that the entire capital stock was subscribed within four months of incorporation. Col. Louis Black was the first manager of the market, with which was combined a factory for the making of artificial ice.

About the time that the Sheriff Street Market plans were in swaddling clothes there lived in Paris—Ohio—a young man who was destined to play an important part in its later history; an obscure youth in an obscure village, spending his high school vigor on amateur theatricals and little dreaming that he would one day enact in real life a role as colorful as any he depicted on the stage—by going to the big city and saving from utter failure the new market that was the pride of Cleveland.

The amateur theatricals in which, per-

OBITUARY

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September, 1928

the active head of a three and a half million dollar corporation that now has 300 stockholders he takes a keen interest in all association work and he is a director still of the American Refrigeration Co.

Among his personal tastes Mr. McDaniel confesses to a great fondness for out-of-door sports, though golf is the only one in which he participates. He was one of the promoters of the Shaker Heights Country Club, which was opened thirteen years ago on Memorial Day and which still continues as the most popular rendezvous in the "Western Reserve" city.

Homer McDaniel died on July 17, at his home, 2945 Euclid Heights Boulevard, about a month after giving the interview which resulted in the foregoing "Old Family Album" sketch. One son, six daughters and twenty-two grandchildren survive him. His wife died about eighteen years ago.

In addition to his connection with the Sheriff Street Market, Mr. McDaniel was an officer of the Cleveland Tanning Co. and of the Cleveland Knife & Forge Co.; his son, Augustus C. McDaniel, is treasurer of the latter. The Cleveland storage executive was a member of Rotary and of the local Chamber of Commerce and of the Fairmount Presbyterian Church. His grandfather, John McDaniel, served as a soldier in the Revolutionary War.

Edwin B. Terry Passes

Edwin B. Terry, proprietor of the Columbia Transfer & Storage Co., Washington, D. C., died in a hospital on July 31 after a brief illness. He was 59 years old.

Born in Washington and educated in the city's public schools, Mr. Perry as a youth was a noted bicycle rider and was a member of the old Arlington Wheelmen. Later a pioneer motorist and a highway authority, he was instrumental in bringing about improvement of interstate roads.

Benjamin Dansard Dies

Benjamin Dansard, president of Benjamin Dansard & Co., owners and operators of the Coe Terminal Warehouse, Detroit, died suddenly near his home at Bolles Harbor, on Lake Erie near Monroe, Mich., on Aug. 1. He was 45 years old. The company that bears his name is a firm of investment brokers.

Mr. Dansard left an insurance policy of \$2,000,000 made out to his company.

New Fitchburg, Mass., Warehouse

The Monturi Bros. Motor Transportation Co., Fitchburg, Mass., recently purchased a four-story mill structure and have converted it into a warehouse and garage. The building contains 75,000 square feet of floor space. The company operates daily motor service to Boston, Worcester, Springfield and Leominster.

LOWER COSTS

TELEPHONE VANDERBILY 3340

STRUCTURAL STEEL BOARD OF TRADE, INC.
 GRAND CENTRAL TERMINAL
 100 EAST 45TH STREET
 NEW YORK

April 2, 1927.

PRES. ANDREW M. CONNEEN, JR.
 V. P. RICHARD W. KNIGHT
 TREAS. BARCLAY COOKE
 CH. FIN. COM., ROBERT C. POST

BOARD OF DIRECTORS

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 CHAIRMAN OF BOARD

Mr. Charles H. Moores,
 110 East 42 Street,
 New York, N.Y.

Dear Sir:

The steel plans which you furnished us for taking off quantities for the 14 story warehouse for Messrs. Day, Meyer, Murray & Young, as prepared by your Engineers, Messrs. Moores & Dunford, are so complete and clear that I wanted you to know that they are appreciated. From plans such as these the very lowest prices can be made because the contractor knows just what is expected of him.

Please, therefore, accept the thanks of this organization.

Yours very truly,

STRUCTURAL STEEL BOARD OF TRADE, INC.

 Chairman Board of Directors.

CLE:AI

All our plans are complete.
 Complete plans mean lower cost of building.

MOORES & DUNFORD, Inc.

110 East 42nd Street



New York City

Life of Charles T. B. Jones in Old Family Album Sketch

(Concluded from page 27)

formed in an attempt to try to keep members of the business in line—to show them how to make a living instead of attracting patronage at prices that required them to take losses after they got it. The movement was not immediately successful, but cutting rates finally put out of business the concerns engaging in it, and of all of the warehouse companies doing business in Los Angeles in 1907 only two or three remain.

After the retirement of Mr. Hall in 1903, followed by his death in 1905, Mr. Jones continued in the business alone until 1924, when he took in an associate, R. M. Farrar, the company's present secretary and treasurer. The firm holds a 99-year lease on an acre of land and a quarter of ground at Second Street and Central Avenue. The original building has long since been supplemented by more modern structures. The old structure is now known as Warehouse No. 2. It has an area of 36,500 sq. ft. and has seventeen offices on the ground floor, all of which are occupied by tenants on yearly leases.

Warehouse No. 1 is a four-story Class A fireproof building constructed of steel and reinforced concrete. It was erected in 1925 and, being equipped with modern improvements, is devoted to storage exclusively. It has an area of 90,000 sq. ft. and the company makes a specialty of leasing space and giving individual service to customers' businesses, thereby saving unnecessary overhead expenses. One of the company's plants is leased to Haas, Baruch & Co., wholesale grocers.

Favors State Control

Warehouse may indeed be called a young industry in a young country but in the estimation of the president of the Davies Warehouse Co., its general outlook has never been brighter. This, Mr. Jones declares, is largely due to the fact that the State legislature passed a bill regulating the warehouse business and putting it in closer touch with the State Railroad Commission. In Mr. Jones's opinion this was a good move, as he believes it necessary for a public utility to have the confidence of the public it is striving to serve.

John T. Brady With T. & T.

The Terminals and Transportation Corporation of America, with which are identified the McDougall Terminal Warehouse Co. of Duluth, the Detroit Railway & Harbor Terminals Co. of Detroit, and the T. & T. Corporation of Buffalo, has opened an office in Chicago—Room 1403 in the Chicago Mercantile Exchange Building—and has placed in charge of it John T. Brady, formerly assistant manager of the Chicago Cold Storage Warehouse Co. and for twenty years associated with the cold storage warehouse industry in that city.

J. D. McGhie, who handles the marine

operations of the T. & T. organization, will make his headquarters in the same office with Mr. Brady. Mr. McGhie represents also the Minnesota-Atlantic Transit Co., which, a subsidiary of the T. & T., operates boats on regular schedule between Duluth, Port Huron, Detroit and Buffalo, maintaining refrigerated service on dairy products.

"Extermovault" Makers Open New Office in New York

Announcement is made by D. H. Calaway of the Furniture Fumigation Corp., manufacturers of the "extermovault" described and illustrated in the July issue of *Distribution and Warehousing*, that the company has established new offices, at 828 Columbus Avenue, New York City.

The large size vault is being reinforced so that no frame will be necessary for its handling and so that it will sustain any ordinary weight.

The "extermovault"—a portable gas-tight chamber for fumigation of individual pieces of upholstered furniture—was displayed at the French Lick Springs convention of the National Furniture Warehousemen's Association in July.

Traffic Management as a Factor in Distribution

(Concluded from page 37)

It is expected that the final report will be available early in 1929.

"This is a study for shippers," A. Lane Cricher, assistant chief of the Transportation Division, says in a notice sent to the committee chairmen of the various Shippers' Regional Advisory Boards. "The scope of the research will endeavor to bring out among other things:

"1. The wastes resulting from inadequate attention to and proper understanding of traffic matters.

"2. How these wastes may be eliminated or partially eliminated.

"3. How large should an industry or business be in order to justify the organization of its traffic functions into a separate department.

"4. What should such a department cost in order to secure an adequate traffic administration.

"5. What is the relation of a traffic department to the executive, accounting, legal, financial, production, purchasing, sales and other departments of a business concern.

"6. The functions, type, and place and relative importance of the traffic department in a modern business organization.

"At this time we are simply calling your attention to the work that is in progress. We would like to feel free to call upon you at a later date to assist us in determining some of the facts necessary to the success of this study. It is believed that you are interested to know what this division is doing in regard to this important subject."

Economic Distribution and Department Store Programs

(Concluded from page 10)

remains that goods are either accepted as shipped or "returned." Any middle ground seems to be gone. "It used to be just a trick," explains one department store merchandise manager, "to refuse the goods. Notice of our refusal brought the seller to our door, and a little coldness on our part quickly wrung from him a further price concession—which was the thing we were after."

"Returned goods," therefore, are today returned in fact. They go back. If they arrive on the manufacturer's truck, from local factory, it is a simple matter to refuse to receive them. The truck carries them back. If they arrive, as is usually the case, by freight, from a distant source, the department store refuses to accept them but at the same moment disclaims all responsibility for their safe-keeping by consigning them to a public warehouse for account of the factory.

These goods, being rejected without hope of sale to the original department store, become, on the local market, another lot of distress merchandise (unless they are staple goods). Thus the "returned goods" problem—and it is usually spoken of as an "evil"—becomes a complication of the distress merchandise problem. Each lot of returned goods is apt to increase the distress goods on the market.

Either for distress goods, or for returns, the public warehouse has become a supplement to the private warehouses of the department stores.

Use and Occupancy Insurance Is Offered on Trucks

ALL operators of motor vehicles for strictly commercial purposes, according to an announcement by the National Liberty Insurance Co., New York, "can now insure against the actual loss in conduct of business sustained by reason of theft of their motor vehicles or their damage by fire." The statement continues:

"Our new form of protection is known as automobile use and occupancy insurance. The policy has been developed especially for truck and bus fleet operators, where temporary suspension of business might mean financial embarrassment or disaster regardless of equipment loss. Under the agreement policyholders are paid net losses due to business interruption as well as additional expenses incurred in maintaining the business until equipment can be replaced.

"Underwriters have long recognized the special hazards involved in ownership of fleets which makes owner supervision of equipment more thorough and they have promulgated rates lower than those accorded to the owner of a single vehicle. The new policy simply carries the idea one step further in recognizing that owners have an insurable interest in vehicle use."

"We have Standardized on Internationals because of their unusual performance"



Read Mr. Beauchamp's Letter:

TERMINAL WAREHOUSE CO.
500 Block East Markham
Little Rock, Ark.

International Harvester Company
Little Rock, Arkansas

Gentlemen:

We want you to know how well pleased we are with the 2-ton International Truck we purchased recently for moving van work. It is operating daily, both in the city and on cross-country work.

After six years' experience in motor truck transportation, we have standardized on Internationals because of their unusual performance. The four Internationals we purchased from you since June, 1927, are working every day and are giving complete satisfaction.

Yours very truly,

TERMINAL WAREHOUSE CO.
(Signed) S. J. Beauchamp,
President

The complete International line includes the Special Delivery, the new Six-Speed Special, 1½, 1¾, and 2-ton Speed Trucks, and 2½, 3½, and 5-ton Heavy-Duty Trucks. Also, McCormick-Deering Industrial Tractors.



INTERNATIONAL HARVESTER COMPANY
of America
(Incorporated)
606 So. Michigan Ave. Chicago, Illinois

INTERNATIONAL
HARVESTER
COMPANY

Dallas Cites Distribution in Big Publicity Campaign

THE most intensive survey of distribution and warehousing facilities in the Southwest ever compiled has been completed by Industrial Dallas, Inc., a subsidiary of the Dallas Chamber of Commerce.

Industrial Dallas, Inc., is supporting a \$500,000, three-year national advertising campaign to attract new industries to the Southwest territory, embracing Texas, Oklahoma, Arkansas and Louisiana.

As a result of the industrial survey of the territory made by Lockwood, Greene & Co., nationally known industrial engineers, it is shown that there is opportunity in the southwestern industrial territory for eighteen specific lines of industry either not now represented there or represented disproportionately.

Industrial Dallas, Inc., in making its study of this last of the great outlying market areas to be developed, is bringing the results to the attention of the executives of the eighteen industries through the medium of more than twenty-five class and trade magazines and business journals, including *Distribution and Warehousing*.

Pointing out that the merchandising policies of a decade ago are now outworn and are being discarded, just as the machinery of ten years back no longer suffices to meet industrial demands, Industrial Dallas, Inc., is making available to the nation's industry the facts regarding the Southwest with its 12,000,000 population and \$6,000,-000,000 annual purchasing power.

"One of the strongest merchandising points being used in the campaign," according to Julian Capers, Jr., publicity director of Industrial Dallas, Inc., "is the splendid transportation facilities and warehousing accommodations for serving the Southwest which exist in Dallas. Detailed maps showing railroad package car service, express service, air mail and air express service, motor truck and motor bus lines operating out of Dallas have been prepared and are included in the distinctive pieces of literature in which Industrial Dallas, Inc., records the findings of the leading technical men of the nation concerning all the basic factors affecting Southwestern industry.

"The maps show that the best areas of the territory are within one or two-day delivery time by freight from Dallas, and that a large proportion of the market, and especially that representing the highest buying power, is within one day express service of Dallas.

An exhaustive treatment of the effects of the new consolidated Southwestern rate cases decision recently rendered by the Interstate Commerce Commission is included in the survey. Properly speaking, the new rate decision is said to give Dallas the fullest advantage of its strategic location in the geographical center of the Southwest, removing discriminatory rates which for-

merly offset this advantage to some extent and applying a new rate structure based almost exclusively on distance of haul.

Another interesting exhibit is the list of more than 1650 national concerns which are distributing throughout the Southwest through Dallas, and a complete survey of the excellent warehousing facilities available, which has been one of the magnets attracting many of these concerns to Dallas.

At the head of the list of warehousing facilities in Dallas is the gigantic Santa Fe Terminal building in four units, which, ranking next to Bush Terminal in New York City, have thirty-one acres of floor space and more than one million feet of rentable area. This building houses many national as well as local concerns, providing office space, ample room, display space, loft space, general warehousing and storage facilities, and space suitable for light manufacturing. Railway tracks in the basement and ample elevator facilities make for quick and economical handling of shipments in-bound and out-bound. The University Club of Dallas has built a handsome club building on top of the second unit and has ample space left for grass plots, shrubbery and flowers."

A series of booklets, numbering seven and treating of the basic factors affecting industry in the Southwest, is available to interested business men and industrial executives upon application to Industrial Dallas, Inc.

Factors and Requirements in Long Distance Removals

(Concluded from page 29)

driver responsible for the same truck at all times, so that the responsibility can definitely be established for the condition of the truck. A good driver never likes to see his pet truck driven by another driver.

We might add one more factor to successful operation of motor van equipment. Hold bodies to the minimum weight, so that the maximum pay-load can be carried. The day of the heavy-body slow-moving vehicle is gone. Alloy steels, aluminum and higher grade construction can be used effectively to reduce weight. Every hundred pounds hauled means cost in gasoline, tires and oil.

Watch your load distribution. On inter-city and State runs have your heavy units placed back of the driver's seat rather than on the tail end of the body. Watch your load distribution over the rear axle. Note your tire capacities and try to live within them. Buy good equipment and keep costs. It will spell its own story of economy in the long run, with the greatest possible amount of profit.

A year-round reference volume on the desks of national distributors is the annual *Warehouse Directory*. It is the book they consult when selecting warehouses to store and distribute their products.

Handling Overdue Accounts to Reduce Bad Debt Losses

(Concluded from page 21)

is not at all excessive if office assistants are trained to do the work. One plan is to develop two or three for the purpose, and assign to each a certain number of telephone calls a day—say fifteen or twenty.

When should the warehouse begin to remind? That depends on the individual firm, its clientele, and its competitive condition—also the kind of credit accommodation to which the local public is accustomed.

Some companies begin to use reminders on the 15th if accounts due on the first are not met. Still others use no reminders until the 15th of the second month. Some won't remind, except for regular monthly statements sent, until ninety days. Nearly all, of course, make exceptions both ways—reminding very early with doubtful accounts, delaying the process with "absolutely good" customers.

In general there is opportunity to begin the reminding process much earlier than most firms average to do. And follow up the reminders. In some systems reminders printed on slips are sent at intervals of five days. In other cases a company will wish to remind only from one month to the next.

More and better reminders should be the slogan of every warehouseman. They are, truly, the little giants of collection success. Used promiscuously, and with skill, they get in the money, educate the customer—and actually build patronage, for every average man buys most freely where his account is in excellent shape. That is proved human nature!

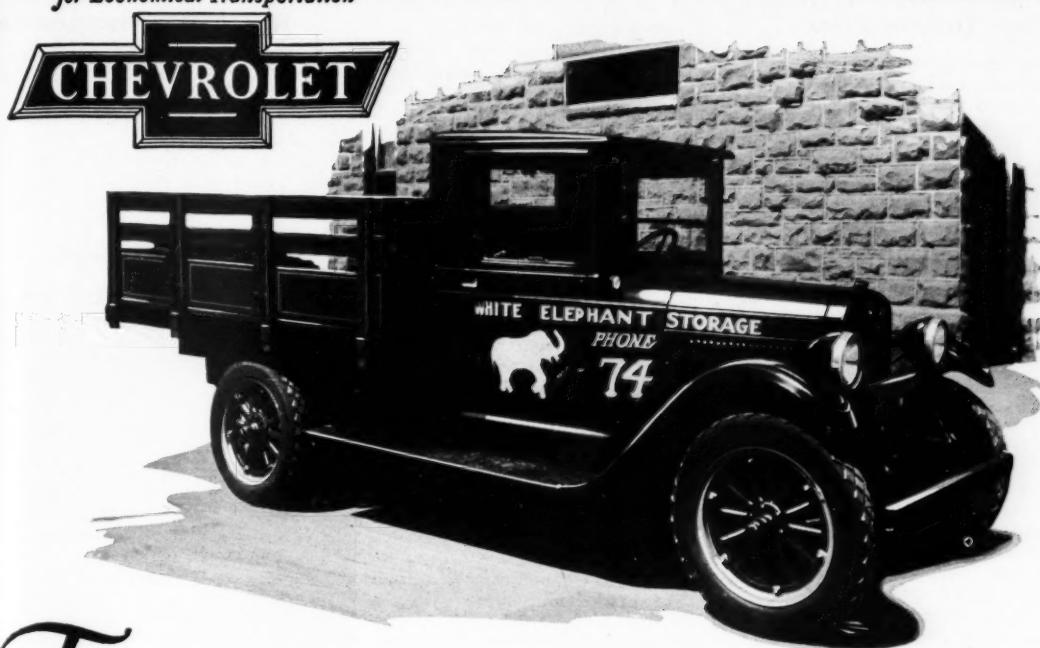
Universal Expands in Houston

The Universal Carloading & Distributing Co., Houston, is remodeling its warehouse at Walnut and Wood Streets to increase the storage space 90 per cent and the office space 110 per cent, the expansion having been made necessary by the increase in the volume of business during the past year.

New Montreal Project?

Following reports published in Canadian newspapers that Montreal would have a great new cold storage terminal project, officers of the Canadian National Railways in Montreal admitted recently that they had been in conference with interests who had in mind plans for forming a company to lease from the C. N. R. the latter's existing warehouse and available vacant land and to put up a cold storage plant that would involve expenditure of \$3,000,000. The C. N. R. officers did not indicate that the plans would mature.

Alexander Fleming, general agent of the Terminal Warehousing Co., Ltd., which is operated by the C. N. R., was slated to be the general manager of the new project, according to the published newspaper reports, and New York financial interests were behind the plans.

for Economical Transportation

The Lowest-Priced Truck *equipped with* 4 Speeds Forward-4 Wheel Brakes

In the few weeks since the new Utility Truck was announced, it has received an enthusiastic reception from thousands of truck buyers throughout the nation—

—for it not only embodies the most recent advancements in truck engineering and construction, but it sells for the lowest price ever placed on a truck equipped with four-speed transmission and four-wheel brakes!

In addition to the scores of truck features for which Chevrolet has long been famous, there is now provided the new 4-speed transmission, with an extra low gear that gives tre-

mendous pulling power for steep hills and heavy roads—and reduces to the very minimum the starting strain on motor, clutch and rear axle...powerful 4-wheel brakes that safely control the heaviest loads under every condition of highway...a new ball bearing steering mechanism which makes it easy to drive over rough and muddy roads.

Visit your Chevrolet dealer today and see this remarkable truck. You'll find that it offers every feature needed for dependable transportation—plus amazing economy of ownership and operation.

The UTILITY TRUCK

\$520

(Chassis Only)
f. o. b. Flint, Michigan

The Light Delivery Chassis, \$375, f. o. b. Flint, Michigan

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN
Division of General Motors Corporation

WORLD'S LARGEST BUILDER OF TRUCKS

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

Shipside Storage Service Accorded New Orleans Firm

THE Board of Commissioners of the Port of New Orleans granted permission on Aug. 9 to the Independent Warehouse Co., Inc., to construct a runway connecting the company's warehouse properties with the Press Street wharf. This is a distinct departure in the commerce of the port, Dock Board officials pointed out, as it is the first privately owned storage plant in the city to offer general shipside storage facilities with one handling charge. This is the fourth shipside warehouse established there in the past two years, but the others virtually limit their operations to handling cotton, while the Independent will handle various commodities so that any merchandise passing through this port in domestic or foreign trade may receive shipside warehouse service.

The elimination of drayage, trucking and rail switching charges, by reason of the direct connection of the warehouse and vessels, offers opportunities to shippers for important savings, it was pointed out. The plan of operation not only eliminates those charges, but permits merchandise to be transferred in one handling operation from storage to ship, or from ship to storage, with greater speed and with reduced risk of breakage, leakage or theft.

Dock Board's Statement

The public wharves in New Orleans are employed only for the assembling of cargoes, and may be used only for a limited period and cannot be used for storage. The Dock Board, which controls the public wharves, makes no attempt to warehouse any commodity except cotton.

The statement which contained the formal announcement of granting the Independent the right to construct a runway included the following from Dock Board officials:

"Demand for shipside storage of other commodities than cotton is a comparatively recent development in New Orleans, and the Dock Board has not entered into such operations because of the belief that private initiative would meet the demand.

"With completion of the runway, which is to be begun at once, there will be six large shipside warehouses in operation in connection with the New Orleans public wharves—two public-owned and four private-owned. The five shipside storage plants are as follows:

"The public cotton warehouse, with 1,434,790 sq. ft. of covered area, owned by the Port Commission, and reaching shipside through its own 2-story wharf structure, handles cotton primarily, though other merchandise has been accommodated there as port needs demanded.

"The United States Army Supply Base No. 1, leased by the Port Commission from the Government, is sub-leased for distribution storage, merchandising and manufacturing purposes. This warehouse connects by covered ramps with

the Poland Street wharf, which is owned by the Port Commission. It has 504,000 sq. ft. of covered space, all occupied by tenants of the Board, and used exclusively for their merchandise, materials and equipment.

"The Alabo Warehouse Co., with 400,000 sq. ft. of covered space, connected by covered inclines with the Dock Board's Charbonnet Street wharf, is in theory a warehouse for general commodities, but actually its full capacity is required for storage and merchandising of cotton arriving by barge line from Arkansas and Oklahoma.

"The Stuyvesant Compress Co., with 300,000 sq. ft. of storage space leased at the Illinois Central wharves, handles cotton exclusively. Those wharves, the property of the Illinois Central, are operated as public wharves by contract with the Dock Board.

"The Westwego Compress, with 235,000 sq. ft. of sheds leased from the Texas Pacific-Missouri Pacific Terminal Railroad, also handles cotton exclusively and operates public wharves by agreement with the Dock Board."

The Independent company's properties are built of brick and concrete, with concrete floors and slate roofs, and amply provide fire protection services and enjoy an extremely low insurance rate.

The runway is to be constructed under the supervision of Dock Board engineers. The buildings abut the levee for 177 ft. where the runway is to be built. The Press Street wharf is 806 ft. long, with a 52-ft. shed for its full length, and a 38-ft. front apron accommodating two railroad tracks. Deepest-draught steamships entering the port can be loaded or discharged at this point.

Government Business Talks Broadcast from Hollywood Warehouse

Many and varied are the radio programs that are being sponsored and sent out into the air for public approval or otherwise. The Hollywood Storage Co., Hollywood, Cal., recently arranged something a little different.

Halbert E. Watkins, Commercial Attaché, U. S. Legation, Caracas, Venezuela, who has been visiting the larger industrial institutions of America dispensing information on the Latin-American, had his itinerary changed by Washington ordering him to Hollywood to open a series of trade discussions to be broadcast every Thursday evening from 7.15 to 7.30 over radio KMTR, located in the Hollywood Storage Co. building. Following his introductory talk on June 21 Mr. Watkins left for the East enroute to Venezuela.

In the future this series of talks on trade conditions throughout the world will be conducted by James H. Smiley, district manager of the Bureau of Foreign and Domestic Affairs, Department of Commerce. Mr. Smiley will also read the weekly letter sent out by the Department of Commerce in Washington.

J. H. Cornwall Gravely Hurt in a Motor Car Accident

JAMES H. CORNWALL, president of the Jennings-Cornwall Warehouse Co., Salt Lake City, Utah, was seriously injured in an automobile accident on the night of Aug. 5.

Removed to the Holy Cross Hospital, it was found that he had sustained a concussion of the brain and a possible

James H. Cornwall



Salt Lake City storage executive seriously hurt in a motor car accident

fracture of the skull, together with severe cuts and bruises.

His condition was reported later as grave, but hospital physicians said they expected he would recover.

"Duke" Cornwall is one of the youngest warehouse company presidents in the country. He is a member of the merchandise division of the American Warehousemen's Association.

St. Paul Firm Expands

The Ballard Storage & Transfer Co., St. Paul, is erecting a \$250,000 four-story automobile garage at Third and Wabasha Streets, to be ready by Jan. 1. It will be of steel, concrete and brick, 100 by 140 feet.

Adjoining is a former hotel, and by use of elevators this will be converted to provide additional storage space for the Ballard firm. Five stories will be on the ground floor.

The company is arranging with hotels in other cities to have the new garage serve tourists visiting St. Paul.

Grand Rapids Blaze

Fire caused damage estimated at \$15,000 in the Shank branch of the Richards Storage Corp., Grand Rapids, Mich., on July 19. The blaze originated apparently in a section leased to a store equipment company.

INDIANAPOLIS
October 23-24-25-26

The Mid-West Motor Truck TRANSPORTATION CONGRESS

A Forward Step! —

Manufacturer's Building
Indiana State Fair Grounds
INDIANAPOLIS
October 23-24-25-26

in the application of Motor Trucks to
Transportation, Distribution and Delivery

PLANNED AND CONDUCTED BY
Commercial and Industrial Users

FOR THE CAREFUL AND PRACTICAL STUDY OF:

Co-ordination of Truck, Rail and Water Ways. ¶ Tire equipment to Meet Road Weight Limitation Laws. ¶ City Street Congestion, Traffic Rules, Safety Movements. ¶ How Far Trucks Can Use Existing Rail Classifications and Rates. ¶ How Central Truck Terminals Increase Volume Dependability and Income. ¶ Specialized Equipment to Meet Industrial Delivery, Transfer and Distribution Problems. ¶ Split Tariff Legislation and Regulation, Intra and Inter-State. ¶ Per-Package and Per-Route Mile Cost in Merchandise Delivery. ¶ The Relation of Truck Transportation to Warehousing. ¶ Investment, Earning Capacity, Cost of Maintenance. ¶ Types of Equipment and Accessories, Etc., Etc.

Mr. Truck Operator

NO matter how many vehicles you operate—be it one or one thousand—the importance to YOUR business of the above items scheduled for discussion makes your attendance IMPERATIVE. These and many more are to be on the program for the benefit of your individual problems.

This Congress has YOUR interest at heart—and makes possible the common exchange of ideas, methods and solutions of the problems confronting YOU and your fellow truck operators. The Congress needs your attendance—you need its assured and pre-eminent results.

Mr. Wholesaler

MERCHANDISING competition has become an intricate problem in the most expedient and economical distribution. Delivery time has become more important to the consignee than transportation rates. Motor trucks, ALONE, are the most potent factor in eliminating long transfer delays.

Your interest in this Congress is paramount because the Congress will carefully analyze the advantages of better distribution as a means of controlling trade territory and holding customers for the jobber. The Congress is an event YOU cannot well afford to miss.

Mr. Merchant

FREQUENT store-door delivery service between your base of supplies and your shelves will enable you to INCREASE your variety of goods by DECREASING your stock volume. Demand motor truck door-to-door delivery whenever available. Join your fellow merchants in creating volume for truck lines from your nearest jobbing center—volume making truck service dependable and substantial.

This Congress will consider the many advantages of trucks to YOUR business—both as a consignee and in the delivery of your merchandise. An important BUSINESS matter—worthy of your personal attendance.

Mr. Manufacturer

VISUALIZE an immense audience composed wholly of Commercial Fleet Owners, Industrial Fleet Owners, Individual Truck Operators, Dealers and Distributors—vitally interested in the advancement of motor truck transportation in its many phases, and devoting their time and effort to such development by personally attending this Congress.

A heretofore unequalled opportunity is now afforded YOU to establish timely PERSONAL CONTACTS with your consumers and EFFICIENTLY exhibit your Trucks, Bodies or Accessories—NOT as a separate exposition—but as a component part of the Congress, all housed under the same roof—the completely equipped and splendidly appointed Manufacturers' Building.

For Further Particulars
Address

The Mid-West Motor Truck Transportation Congress

Executive Offices

Auburn

Indiana

See news story
page 44 in this
issue.

Upholds Carrier's Right to Select One Transfer Company

Distribution and Warehousing's
Washington Bureau,
1163 National Press Building

THE right of a railroad, or a group of railroads, to restrict express business to a single transfer company has been upheld by Examiner Harry C. Ames in a report proposed to the Interstate Commerce Commission making recommendations in the St. Louis and East St. Louis drayage case.

The investigation concerning the receipt, delivery, and transfer of freight within the St. Louis-East St. Louis terminal district by drays and trucks was begun by the Commission on its own motion. Extensive hearings were held and all interested carriers, shippers, consignees and transfer companies presented their views. This great volume of testimony is discussed in Examiner Ames' proposed report, which covers 69 pages of typewriting.

Briefly the proposed report holds:

1. That the proposal of carriers, other than the Chicago & Alton, to employ a single transfer company for the operation of off-track stations and the haulage between such stations and the on-track stations of the railroads, and in the interchange of freight between railroads, is not violative of the Interstate Commerce Act.

2. That the proposal of carriers, other than the Chicago & Alton, to reduce the number of off-track stations in St. Louis proper from twelve to seven, and at East St. Louis, from three to two, has not been harmful to the public interest as resulting in unreasonable and inadequate service.

3. That the present and proposed maintenance of a constructive station at the west end of the Eads Bridge as an aid to the direct receipt and delivery of freight from and to shippers and consignees is not unlawful and, as at present operated, does not result in unlawful practices.

4. That the proposed schedules of carriers, flatly reducing by 10 cents per ton the allowances for all draying services, are not justified in their present form. The record will be held open, however, to afford the carriers to enter into a cost study of the service and to prepare new tariffs and contracts in the light of such study for presentation at a further hearing.

The report orders cancelled the reduced schedules which had been suspended at the inauguration of the investigation by the Commission.

Under the contracts which came within the investigation the railroads entering the St. Louis district, with the exception of the Chicago & Alton, agreed to give the Columbia Terminal Co. an exclusive privilege to truck freight between on-track stations in East St. Louis and off-track stations in St. Louis, which are separated by the Mississippi River. The railroads designated the transfer company as its agent and sought to reduce drayage rates. This

move was seriously questioned by the St. Louis Shippers' Conference Association as constituting a monopoly of the drayage business. Protestants raised the point also that with the selection of a single transfer company, service to the public would suffer.

"Probably the most bitterly protested of the respondents' proposals is that which provides for the employment of a single transfer in the collection, distribution and interchange of railroad freight except that handled through the constructive station," Examiner Ames' report says in part:

"The record contains a mass of testimony concerning this phase of the case, the gist of which on protestants' side is that, with competition among transfer companies eliminated, the service will suffer, and that the selected company through the monopoly thus conferred will be in a position to underbid other drayage companies in respect of service to and from off-track stations from and to traders' places of business, with the result that it will drive other companies from the field and have both the shippers and the carriers at its mercy. Respondents contend that the selected transfer company will act as their agent in the performance of services which they are legally bound to perform, and that they have the undoubtedly right not only to select their own agency but to limit their selection to one agency if they feel that economies in operation and no unreasonable curtailment of service will result."

The Examiner's report conceded that the proposal will result in conferring a monopoly of railroad hauling, other than performed in direct-delivery service, upon the Columbia company.

"It is true that any railroad not willing to enter into the proposed contract with the Columbia may contract with another or other transfer companies and that the Columbia has agreed to permit use by such other companies of its platform facilities on the basis of cost plus ten per cent," the report states. "But the exception is of doubtful practical benefit. Only one carrier, the Alton, is in disagreement with the railroads which are committed to the one-transfer plan. If that carrier were willing to contract with the other transfer companies for the maintenance of off-track stations, such stations would, of necessity, be individual to that line and not on a competitive basis with the universal off-track stations of the Columbia. It is not likely that the tonnage of the Alton would make it possible for another transfer company handling Alton tonnage exclusively to compete with the Columbia on the platform rental basis referred to. The proposed plan is tantamount to a monopoly."

"Is it a lawful monopoly within the meaning of the Interstate Commerce Act?"

After citing and discussing several cases decided by the Supreme Court of the United States, Examiner Ames concludes:

"The cases cited make it plain that at common law respondents are within their rights in selecting a single and ex-

Millward Is Made President of Wakem & McLaughlin, Inc.

A meeting of the board of directors of Wakem & McLaughlin, Inc., Chicago merchandise warehousemen, Alfred H. Millward, who had been the manager for many years, was elected president to succeed J. Wallace Wakem, who died on June 30.

Mr. Millward joined the firm as a bookkeeper in 1903. Two years later he became superintendent and in 1913 was appointed manager.

In accepting the presidency Mr. Millward announces that the business will be conducted under the same policies that have heretofore governed operations. The financial department, one of the organization's outstanding features, will be continued under his direction without change. According to Mr. Millward the corporation was the first public warehouse company to employ its own capital to finance customers' goods on warehouse receipts.

Identified with the activities of the merchandise division of the American Warehousemen's Association and with the progress of the Illinois Association of Warehousemen, Mr. Millward is widely known both in the storage industry and among users of public warehouse service.

clusive agent for the performance of this terminal transportation service. It remains to determine whether the Interstate Commerce Act has laid upon them any duties or restrictions which preclude them from this right of selection."

The Commission, the report points out, is concerned under the Act only with the adequacy of service and the reasonableness of charges, and no showing of inadequacy of services or unreasonableness of charges was made.

Another objection revolved around stock transactions between the transfer company and railroad officials. Examiner Ames dismissed this with the comment that "in the absence of a violation of the statutes which the Commission administers, it is not its function to deal with the morals or motives of railroad officials."

The contentions by the St. Louis Shippers' Conference Association that the shippers are entitled in the first instances to on-track stations located on the rails of the Terminal, which is merely an extension of the rails of the proprietary lines, and that if they waive that right and agree to the substitution of off-track facilities their interests must be consulted and they have the further right to insist that full and free competition be maintained in the management and operation of such stations, are answered by the Examiner.

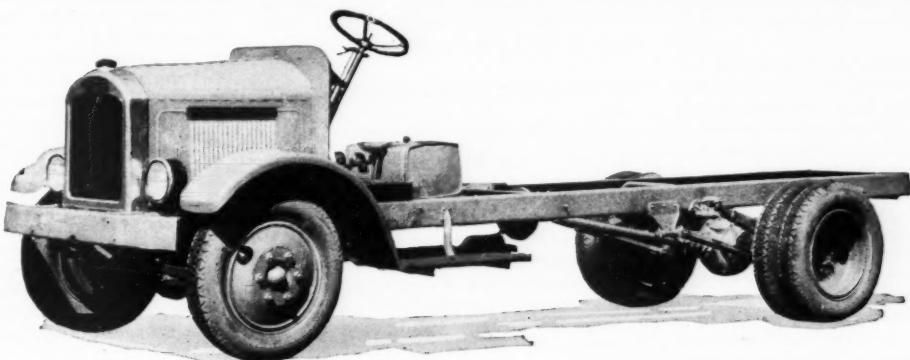
This amounts, he says, to the assumption that the shipper not only has a right to adequate service but may dictate the means employed to effectuate it.

"The Commission should not agree with this concept of the law," the report states. "The primary duty of the car-

(Concluded on page 60)

IT'S HERE —

**THE FISHER MERCANTILE EXPRESS
INCOMPARABLE TWO TONNER**



6-Cylinder Motor
4-Speed Transmission
4-Wheel Brakes { Lockheed
 } Hydraulic
Pneumatic Tires { Dual
 } Rear
Steel Disc Wheels



This chassis is designed and built to faithfully serve the user of two-ton trucks. Easy to handle, smooth running, powerful and speedy.

*Write for Full Particulars
and Price*

STANDARD MOTOR TRUCK CO.

ALBERT FISHER, President

DETROIT, MICH.

U. S. A.

New Orleans Warehousemen Send Protest to Governor

COMPETITION by the New Orleans Dock Board, a Louisiana State agency, is the subject of a letter of protest which seven New Orleans public warehouse companies have addressed to Governor Huey P. Long, the State's Governor, and to the members of the Legislature, and the warehouse firms also have had a bill (H. B. 703) introduced in the State Legislature in an effort to have the Dock Board's activities confined so as not to compete with private industry in warehousing.

The seven protesting companies are the Bienville Warehouse Corp., Inc., Dietrich & Wiltz, Inc., Douglas Public Service Corp., Independent Warehouse, Inc., Rebecca-Fabacher Warehouse Co., Standard Warehouse Co., and United Warehouse Co., Ltd.

The letter to Governor Long and the Legislature points out various ways in which the warehousemen claim that the Dock Board has been providing competition in cotton and sugar storage and states that this competition takes storage revenue away from the privately-operated companies. The communication goes on:

"What can we expect to happen to our other business? Can we safely make the necessary expenditures to bring new business to the port in face of the threat or competition by tax-free, State-owned, State-controlled facilities?

"Put yourselves in our place, Gentlemen. Imagine after years of effort, after years of effort, after great expense, you established a business; it is fairly prosperous, and you look to it for your support; then some fine morning you pick up a newspaper and you read that your State, through its agency the Dock Board, has taken away your best accounts under the pretense that it did so to keep business coming to the port, ignoring the fact that the business was already coming to the port and that the storage of it in your property or elsewhere could not affect the movement to the port.

"Well, who is the port? Does it not include all the people doing business in the port? Is it not the duty of the State to protect the property of its citizens? Why, then, should the State, through its agent the Dock Board, deprive us of our business, which is our property? . . .

"The record of the Dock Board is one of continued encroachment into the domain of private business. The Dock Board's only legitimate function is that of wharfingers, which is clearly defined in Act 70, regular session of 1896. This function in itself is big enough to use up all its energy; yet from operating wharves they go to building and operating a public cotton warehouse, then a grain elevator, a coal tipple, an industrial canal, and now the Army's warehouses. Where will they stop?

"We have appealed many times to the Dock Board without success. So now we appeal to you. H. B. 703 was in-

troduced at request of one of your petitioners to restrain the encroachment of the Dock Board, so that we citizens and taxpayers may go along building up our business without an ever-present paralyzing fear of State competition."

New Detroit Firm

The American Moving & Storage Co. has been organized in Detroit, Mich., by Charles B. Ford, formerly an inspector with the Burroughs Adding Machine Co., and Lydia E. Ford and Robert C. Siewert. The firm plans to engage in the moving and storage business with offices at 5271 Bangor Street.

Position Wanted as Manager

APPLICANT is a man of executive ability with many years of experience both as a warehouse operator and as a student of rates and traffic with direct relation to merchandise distribution. Knowledge of freight tariffs and procedure a specialty. Prepared to take up duties immediately and in any city. Address *Distribution and Warehousing*, Box B-213.

Bryan Southwest Firm Handles Wichita's Airplanes

A new type of business—the crating and forwarding of airplanes—has been developed by the Bryan Southwest Transfer & Storage Co. of Wichita, Kan., sometimes called "the air capital of the United States."

Seven factories turn out "flying machines" in Wichita, one of the firms producing four machines a day, and the Bryan Southwest company is doing the crating and shipping for all of them.

"We have crated and forwarded more than 250 airplanes from this dock see illustration on page 24 in the past five months," according to U. O. Bryan, the Wichita concern's president. "We have boxed and shipped to numerous foreign countries, the farthest being Australia. We average as high as twenty-five ships a week. There is not a large city in the United States, Canada or Mexico to which we have not made a shipment."

Mrs. E. A. Macomber Dies

Mrs. E. A. Macomber, widow of the late president of the United States Storage Co., Inc., Washington, D. C., died on July 3. Funeral services were held in Sterling, Ill. Mrs. Macomber was the mother of R. E. Macomber, the company's vice-president and manager.

Hundreds of shippers subscribe to the Annual Warehouse Directory. Why? Because they consider the information therein reliable, dependable, authentic, up to date.

Upholds Carrier's Right to Select One Transfer Company

(Concluded from page 58)

rier is to furnish reasonable and adequate service and facilities, and, that done, it has the right to choose its methods and its agencies."

Commenting on the argument of the St. Louis Chamber of Commerce that the one-transfer plan violates the Sherman anti-trust Act, Ames says:

"There is nothing in the so-called one-transfer plan in and of itself which violates any provision of the Interstate Commerce Act. Nor can the Commission make any finding upon this record that the service under this plan will be inadequate. Experience, alone, will answer that question, and if at any time the service becomes inadequate or is surrounded by practices which are unlawful the shippers have recourse to the Commission through the usual channels of complaint."

"This investigation is conducted under the Interstate Commerce Act and this Commission has not been designated by Congress as the tribunal before which to bring proceedings under the Sherman Act."

A Question of Facilities

Disposing of the contention that the railroads may not abandon several of the stations, the report says that the "respondents propose merely to reduce the number of them and the only bearing that public interest has on this question is whether the facilities proposed to be kept in operation will be reasonably adequate to meet the needs of the shipping public."

The report holds that there is nothing in the Act under which it is possible for the Commission to declare the constructive station at the Eads Bridge unlawful. Under this plan, in the so-called direct-delivery, freight passes through a constructive station, dividing the movement in respect to the distance the express company is agent for the railroad and agent for the consignee or shipper.

In respect to the proposed reduction in rates for drayage or trucking, the report suggests that a cost study be made, with a member of the Commission, if desired, for the purpose of determining the proper and lawful rate schedule, and that until such schedule is effective the proposed schedule of reduced rates be suspended.

—Philip G. Loucks

McCarty With Powelton Co.

Lloyd F. McCarty, for the past six years with the Big Four Transfer Co., Inc., operating in long distance removals by motor truck along the eastern seaboard, has become affiliated with The Powelton Co., Philadelphia, it is announced by Frederic E. Aaron, the Powelton's president.

Mr. McCarty has been branch manager of the New York office of the Big Four for the past two years, handling its long distance work.

LOW-PRICE COMPETITION

Lower First Costs

There is a practical way to meet low-price competition profitably in the Distribution and Warehousing field. Cut your present haulage costs to rock bottom. In this way you will be able to get more profit from each job or you can lower your service charges and still retain your present marginal profit.

Suppose your business calls for the operation of a 5-ton Motor Truck. The *average* cost of this unit would be \$5000. But, instead of this 5-ton Motor Truck at \$5000, you can buy



An unusual load but easily handled on a Fruehauf

a 1½-ton Tractor-Truck and 5-ton Fruehauf Semi-Trailer for approximately \$3160. In this way you make a *saving* in investment of approximately \$1840.

Reduced Depreciation

A comparison of depreciation costs shows still further savings. The *average* life of a Motor Truck is rated at 4 years. The yearly depreciation costs, then, on your 5-ton Motor Truck, would be \$1250. The *average* life of a Fruehauf Trailer is 10 years. So, the yearly depreciation costs on a Tractor-Truck-and-Trailer unit, costing \$3160, would be only \$616. By using a Tractor-Truck and Semi-Trailer instead of a 5-ton Motor Truck, you make a yearly *saving* in depreciation of \$634.



For quick deliveries at low cost

This yearly saving of \$634 is enough to replace your Tractor-Truck in 3½ years. However, this replacement will not be necessary because the Tractor-Truck lasts much longer when pulling a Fruehauf Semi-Trailer than a Motor Truck that is forced to carry the full load. This is due to the correct distribution of the load on the Fruehauf.

HAUL MORE FOR LESS



Reg. U. S.

* Pat. Off.

Operating Costs Less

Operating and maintenance costs of a light Tractor-Truck and Semi-Trailer are approximately 30% to 50% less than those of a large Motor Truck. This means that you can save still more money by using a Tractor-Truck-and-Trailer unit. The advanced design, quality of workmanship and materials make possible this cost-cutting performance of Fruehaufs.

Greater Flexibility

The Tractor-Truck-and-Trailer unit will give you "fleet flexibility." As you add more Trailers you save more money. Trailers can be spotted for loading or unloading while the Tractor-Truck is kept constantly busy. And, too, the idle time of a Trailer costs far less than that of a Motor Truck.

Trailer transportation has been a life saver to many industries throughout the country. Fruehauf Trailers are "setting the pace" in design, sales and serviceability for the entire Trailer industry. Progressive Distribution and Warehousing organizations from Hollywood to Boston, from Duluth to New Orleans are Fruehauf users.

For Every Load

From the several illustrations on this page you can easily see that there is a Fruehauf which will meet your transportation problem and aid you greatly in combating low price competition. Fruehauf Engineers, thoroughly competent and experienced men, are always ready to counsel and cooperate with you. The handy coupon below will bring especially interesting details promptly. Clip and mail it today.



A Drop-Frame Semi-Trailer for huge loads

Trailer Leadership

As the Oldest and Largest Manufacturers of Trailers, we can supply you with Semi-Trailers, Four-Wheel Trailers, Adjustable Pole Trailers and Heavy-Duty Carryalls. Fruehauf Branches and Distributors are located in all Principal Cities.

FRUEHAUF TRAILER COMPANY, 10936 Harper Ave., Detroit, Michigan

*Memo to FRUEHAUF TRAILER COMPANY,
10936 Harper Avenue, Detroit, Michigan.*

Send the interesting data on the Fruehauf System of Low Cost Haulage—without obligation.

Mr.

Name of Firm.....

Street Address

City..... State.....

Wrisley Brown Heads New Washington Terminal Plan

Distribution and Warehousing's
Washington Bureau,
1163 National Press Building

IMEDIATE development of a compact and coordinated wholesale market district and terminal system in the southwest section of Washington, along the Potomac River, is made possible by the final approval of the plans by the National Commission of Fine Arts.

This district, which will provide terminal facilities, markets, and stores for commission merchants—enough to serve a city of 1,000,000 people, will be developed by the Potomac Freight Terminals Co., the president of which is Colonel Wrisley Brown, president of the Terminal Refrigerating & Warehousing Corp.

Actual construction of part of this project for the benefit of the city's perishable and produce business has already been begun, and contracts for other parts have either been let or will be let within a short period.

Early construction will be begun of stores for commission merchants fronting on Water Street, next to the ship channel, and will provide about 200,000 square feet of floor space for the wholesale perishable goods merchants who are forced to move from their present quarters by the erection of Federal buildings in the old market district. Trackage connections to these stores will be provided.

A new \$200,000 railroad bridge will be built across Water Street to accommodate additional trackage into the Water Street terminal area from the main tracks of the Pennsylvania Railroad, and new track facilities will be constructed from the bridge to serve the commission trade and other receiving and marketing agencies in the area.

Modern stores for the poultry trade, grouped at the corner of Twelfth and E streets, opposite the Water Street Terminal, will be ready for occupancy by Dec. 1.

This development is bounded by Fourteenth, D, Twelfth, Tenth, and Water Streets and the Washington ship channel. It will include enlarged railroad yards for direct delivery of produce, poultry, meat, fresh fruits and vegetables; team tracks for direct truck delivery; cold storage facilities, and the Municipal Fish Market—all conveniently located for the economic handling of perishable food supplies received by rail from the South and the West or by truck from the farming regions of Virginia and Maryland.

In this same section the Pennsylvania Railroad operates a produce freight terminal and a large receiving freight yard. Last year the first unit of the contemplated larger produce terminal with direct switching connections at Water Street was constructed, making available space for the display and sale of produce received in carload lots.

Two large cold storage plants with a combined capacity of 2,500,000 cubic feet in addition to an ice-manufacturing

capacity of 400 tons a day are located in the district.

In approving the plans for the development of this area, Charles Moore, chairman of the National Commission of Fine Arts, said that the project fitted into the plan of Washington, as originally designed by Major L'Enfant for President Washington and President Jefferson and as enlarged by the McMillan Park Commission of 1901, which has been adopted by Congress.

Chairman Moore revealed that a plan for eliminating through freight traffic from the city was now being discussed. The Pennsylvania Railroad has had its attention called to the feasibility of having all its through freight traffic between the North and the South pass over a new route, from north of the District of Columbia line, through Maryland territory, to a site opposite Alexandria, Va., with a tunnel under the Potomac. The Baltimore & Ohio Railroad already has a freight line running to Shepherd's Point on the Maryland shore almost opposite Alexandria.

Ruby A. Black.

First Class Rigger Is Wanted

FOR growing southern city. Must be competent to handle any size job—moving and hoisting machinery, hoisting smokestacks, etc. Must know how to work men. Give reference, age, salary desired. Address Distribution and Warehousing—Box A112.

New Wilmette, Ill., Firm

Paul A. Rensch, secretary and manager of the Evanston Fireproof Storage Warehouse, Evanston, Ill., and Dan Bloom, local manager in Chicago for the Trans-Continental Freight Co., and Chester T. Radke are the organizers of the Rensch Fireproof Warehouse, incorporated recently to do a general storage and warehouse business in Wilmette, Ill. Capital, \$50,000 preferred and 2000 shares non par value.

Announcement is made by Charles E. Ware, president of the Evansville Fireproof Warehouse, that Mr. Rensch, no longer affiliated with the firm, has been succeeded by F. W. Mueller, for the past sixteen years with the Hebard Storage Warehouses, Chicago.

"Flames" As Advertising

The Redman Fireproof Storage Co., Salt Lake City, Utah, has installed a striking piece of electric light advertising on its warehouse—a representation of a building on fire. The lights are so arranged that orange-colored "flames" leap from the window with all the fury of a real blaze.

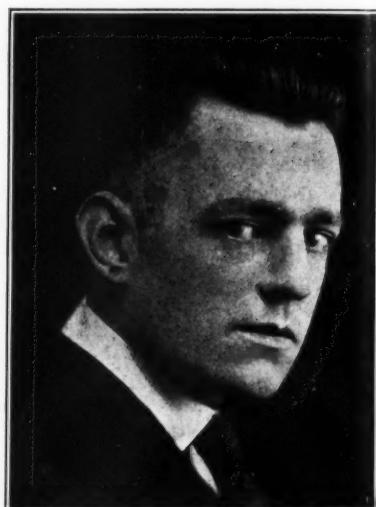
Queensboro Company Opens Warehouse in Jamaica, N. Y.

AT the gateway to Long Island, in Jamaica, N. Y., a new commercial and household goods storage firm opened for business on Aug. 15—the Queensboro Storage Warehouse of Jamaica, Inc. Its building, recently completed at Van Wyck Boulevard and 94th Avenue opposite the Long Island Railroad's Jamaica freight station, represents with the property a \$300,000 investment.

The management has been placed in the hands of Frank E. Holmes, a practical warehouseman of experience, as operating executive. Mr. Holmes resigned on Aug. 1 from Harragan's Storage Warehouses, Inc., Brooklyn, where he had served in various capacities for four years. Prior to that he was for five years with the Sunlight Storage Warehouse Co., Inc., Brooklyn.

The Queensboro warehouse contains about 63,000 square feet of floor space.

Frank E. Holmes



Manager of Queensboro company, which began business Aug. 15 in Jamaica, N. Y.

A feature of the structure is an Otis elevator, 10 feet 6 inches by 18 feet, of the automatic double push button type, four-ton capacity, with a speed of 100 feet a minute, extending from basement to roof.

A railroad siding directly into the building is being planned, to eliminate extra hauling and handling expenses.

The officers of the owning corporation are Norman Russel, president; Samuel P. Schlansky, vice-president; Joseph P. Storms, secretary, and W. H. Seldin, treasurer.

Leicht Plant Nears Completion

The new warehouse of the Leicht Transfer & Storage Co., Green Bay, Wis., adjoining the firm's present plant on South Broadway, is expected to be ready for occupancy in September.

PROFITS FROM SPEED TRUCKS DEPEND UPON STAMINA

And Stamina Depends Upon Quality!

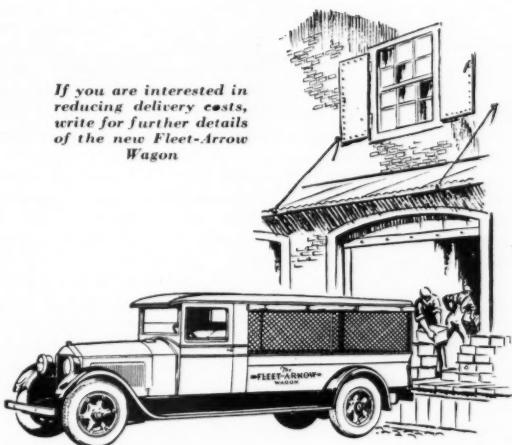
It's easy to build a motor truck at a low price. But it pays to remember that the lower the price, the shorter the life—and the longer the bills for repairs.

Pierce-Arrow builds for the years. Many of its trucks which took the road as far back as 17 years ago are still operating—still making money for their owners.

Of the \$134,000,000 worth that have been purchased since 1911, comparatively few have outlived their usefulness.

THE NEW FLEET-ARROW WAGON

If you are interested in reducing delivery costs, write for further details of the new Fleet-Arrow Wagon



Pierce-Arrow Truck Line

The Pierce-Arrow truck line includes chassis sizes of 2-ton, 3-ton, 4-ton, 5-ton, 6-ton, 7½-ton. Tractors, 3-ton, 5-ton, 7½-ton. Chassis prices \$3,500 to \$5,600, at Buffalo. Write for particulars.

Today's Fleet-Arrow is a worthy carrier of the long service tradition that is Pierce-Arrow. It might have been built to cost half as much—but the purchaser would pay more in the end.

On the *per mile basis*, there isn't a speed truck today to compare with it. What it will do has been demonstrated across the United States:

The Fleet-Arrow Wagon will carry a two-ton load with greater ease, greater speed, greater safety and greater economy than any other vehicle on the market.

Some Fleet-Arrow Details

A Pierce-Arrow six-cylinder engine . . . More than 70 horsepower . . . 40 to 47 miles per hour . . . 7-bearing crankshaft . . . Unusual gasoline economy . . . Safety 4-wheel mechanical brakes . . . one to two ton pay load . . . Short turning radius . . . High carbon steel frame . . . Tubular radius rods . . . 110-inch, 160-inch, 180-inch wheelbases . . . Dual rear tires extra.

Commercial Car Division

THE PIERCE-ARROW

MOTOR CAR COMPANY

Buffalo, N.Y.

Activities of Executives in and Out of the Industry

HOWARD E. JACKSON and William Lovejoy have resigned as general manager and manager, respectively, of the Atlantic States Warehouse & Cold Storage Corp., Springfield, Mass. Mr. Lovejoy is a son of George S. Lovejoy, Boston, a past president of the American Warehousemen's Association.

Henry M. Burgeson, operating executive of the Wilshire Fireproof Storage Co., Los Angeles, has been elected president of the local Board of Public Utilities and Transportation. Appointed to the board by Mayor Cryer in 1926 to fill an unexpired term, Mr. Burgeson was reappointed in 1927 for a five-year

Henry M. Burgeson



Storage executive elected president of Los Angeles Board of Public Utilities and Transportation

term. He is a past president of the Pacific Coast Furniture Warehousemen's Association.

Gardner Poole, Boston, since his resignation as president of the Quincy Market Cold Storage & Warehouse Co., and as president of the cold storage division of the American Warehousemen's Association, has been more or less actively engaged as a warehouse consultant. He is a director and a member of the executive committee of the Beacon Trust Co. and treasurer of the Berndt Furnace Appliance Co.

Russell E. Hillier, a partner of the Hillier Storage Co., Springfield, Ill., and secretary of the Central Warehousemen's Association of Illinois, and Mrs. Sally Brauer of Springfield, were married in that city on Aug. 6. They left

on a honeymoon 3000-mile tour of Chicago, Buffalo, Montreal, New York, Washington, Pittsburgh and Indianapolis by motor car.

George A. Rhame, Minneapolis secretary of the Minnesota Warehousemen's Association, will be manager of the Minnesota division of the Allied Van Lines, Inc., the new inter-city removals agency of the National Furniture Warehousemen's Association.

Z. D. Barrows of the Westland Warehouses, Inc., and A. G. Brewer of the Federal Cold Storage Co. are among the Los Angeles executives who recently organized the Central Manufacturing District Traffic Association in that city.

Irving T. Bush, president of the Bush Terminal Co., New York, recently presented Miss Rhoda Robbins, a British girl, a \$1,500 scholarship to enable her to study American educational methods.

Malcolm A. Keyser, president of the M. A. Keyser Fireproof Storage Co., Salt Lake City, Utah, has been appointed a member of the advisory council of the Salt Lake County Farm Bureau.

Joseph Weiler and Henry Freeman, respectively president and secretary of the Regal Storage Warehouse Co., Inc., New York City, have withdrawn their connection with Cooke's Storage Warehouse, of which they were formerly owners and operating executives.

E. S. Wheaton has sold his interest in the Pioneer Storage Co., Mansfield, Ohio. He was secretary and treasurer of the firm.

New Indianapolis Firms

Biehl Transfer & Storage, Inc., has been incorporated in Indianapolis to conduct a warehouse and transfer business, haul furniture overland, buy and sell furniture and kindred commodities, hold auction sales and do a brokerage business. The capital is 100 shares of no par value common stock. The incorporators are Harry T. Biehl, Edward J. Holliday, May S. Biehl and J. Edward Dersch.

The Banner Storage Co. is another firm newly-formed in Indianapolis to do a general warehouse business. Capital stock, \$1,000. The incorporators are Roscoe A. Rinker, Jeannette A. Rinker and Albert M. Alexander.

Olsen Company to Build

Plans have been announced by Charles W. Olsen, president of the C. M. Olsen Transfer & Storage Co., Portland, Ore., for a new warehouse on Washington Street, between King and 22nd Streets, for the storage of household goods.

The structure will cost \$150,000 and will occupy land 70 by 90 feet. It will be six stories high with about 5600 square feet on each floor.

Swindler of Warehousemen Again Actively Operating

THE swindler who dupes storage executives with forged bills of lading and bad checks is active again, and H. E. Johnson, manager of Johnson's Storage Co., Dover, N. J., has asked *Distribution and Warehousing* to publish a warning. Mr. Johnson was recently a victim to the extent of \$350, and, according to detectives working for one of the big eastern railroads, the scheme has been attempted lately in Harvard, Ill., Passaic, N. J., and Long Island City, N. Y. Mr. Johnson explains the swindler's tactics as follows:

"A well dressed man enters the office of a furniture warehouse and makes arrangements to haul and store a shipment of household goods. The furniture is coming from a distant point by rail and he hands you a bill of lading which lists what appears to be a shipment of very good household goods, including a piano. He explains that he is planning to locate in your town and open a butcher shop, confectionery store or some small business enterprise. He asks numerous questions about store sites, local conditions, etc., and gradually gets on the subject of local banks. Then we hear the story that he is not very well financially fixed and his brother-in-law loaned him a sum of money. He has his brother-in-law's certified check (usually from \$300 to \$600) and wonders if he will have any trouble cashing it. He finally suggests that the warehouseman might accommodate him, owing to the fact that he has the furniture as security. The check is certified and the furniture appears to be valuable."

"If you cash the check, you find both the check and the bill of lading are clever forgeries."

"This man is about 42 years of age, about 5 ft. 11 in., weighs 210 lbs, tall, fair yellowish or sun-burned complexion, bushy eyebrows, appears to be jolly by nature and of German descent."

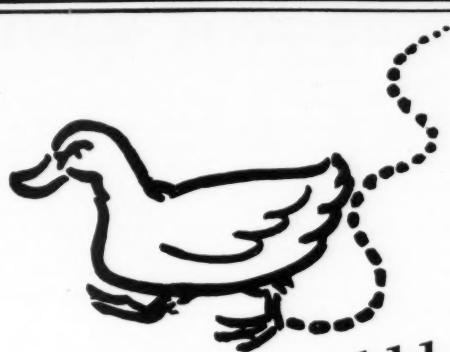
The police and myself would appreciate your efforts in warning warehousemen of this man's operations. It is suggested that if a man of this description turns up under the circumstances mentioned, he be held for questioning. A telegram to the bank drawn on will bring immediate information as to whether a check is a forgery. Your cooperation may possibly remove a dangerous operator from our midst and save a warehouseman some money."

According to railroad detectives the swindler has operated in cities in virtually all parts of the country under the following aliases:

M. Brooks, A. C. Gaunt, W. Gaunt, E. M. Gore, Henry Harvey, Henry Hogandever, Charles Leidigh, George Moore, C. Titus, E. C. Titus, Henry Titus, M. Titus and E. M. Young.

Milwaukee Company Builds

The Wisconsin Cold Storage Co. is planning to erect an eight-story addition. The new building will bring the firm's storage capacity to approximately 1,000,000 cubic feet.



they can't wobble . . .



they can't shimmy . . .



they stop side-sway . . .

{ 3 tire-saving reasons why truck
owners demand "Budd Duals"
instead of just "Duals" }

Announcing Features of 1929 Warehouse Directory

(Concluded from page 7)

tives, including association presidents, who have been consulted in recent months.

The Foreign Section

IN the current directory, published last January, listings in the Foreign Section are from Australia, Belgium, China, Cuba, England, France, Germany, Ireland, Japan, Mexico, Netherlands, Norway, Scotland, Sweden and Switzerland, but in some instances only a single listing to a country.

This section of the 1929 directory will be more extensive. United States consular officials and commercial attaches in cities throughout the world have supplied *Distribution and Warehousing* with the names and address of firms which they believe to be equipped to warehouse and distribute goods shipped from the United States and Canada.

Every one of these firms in the foreign countries will receive a 1929 Directory Information Sheet, and next year's book should be more representative of worldwide warehousing than in the past.

The Cover

AS a volume constantly consulted, the Directory is to be found the year round on the desks of traffic and sales managers of manufacturing companies which distribute through public warehouses, and in the offices of storage executives.

The Directory is accorded so much usage, in fact, that a copy quickly becomes torn and "dog eared" unless protected—as some companies have done—by stiff covers specially made for it.

Accordingly the 1929 Directory will be improved physically.

For the covers a new stiff paper stock has been selected. This is twice the weight of the stock used for the regular issues of *Distribution and Warehousing* and used for the Directory in the past. It is of durable fiber and should last throughout the year.

Read Before You Sign

As stated, the 1929 Directory Information Sheets will be distributed in September. This makes timely the advice—endorsed by the National Better Business Bureau—"Read Before You Sign."

Don't confuse *Distribution and Warehousing's* 1929 Directory Information Sheet with any other questionnaires that may reach you in the mails. *Distribution and Warehousing's* should be easily distinguishable, as it will be in two colors—red and black, on white paper. Read it before you sign it, just as you would any other business document. And have it notarized if you want your listing to carry the bold face Star in the new Directory.

As *Distribution and Warehousing's* Information Sheet carefully explains, every Directory listing is *free*. No advertising contract of any kind is a part

of the sheet. Executives familiar with the Directory know that our form of contract is always separate and distinct.

At this present time, warehousemen are being asked to supply information—of similar character of that which appears in *Distribution and Warehousing's* annual book—for a directory to be published by an organization which is circulating questionnaires which include advertising contracts. When a storage executive signs that questionnaire in order to get a directory listing, at the same time he signs a contract to pay a certain amount of money for the publishing of the information in the same directory. It may be stated here that that form of questionnaire-contract is frowned upon by the National Better Business Bureau.

When you receive a questionnaire for a directory of any kind—*Distribution and Warehousing's* 1929 Directory not excepted:

"Read Before You Sign."

How About 13 Months in Each Year?

THE proposed revision of the calendar and how the change would affect the public warehouse industry are covered in an article, by Meredith N. Stiles, which will appear in the October issue of *Distribution and Warehousing*.

Storage space is charged for by the month. Apartment house leases are by the month. But months vary from 28 to 31 days. Would the suggested "square deal" calendar for all do away with this uneconomic iniquity?

Many business interests are already using the thirteen-month calendar. Read how and why—next month.

Catherine K. Lynn Manager of AVLInc's Eastern Bureau

FOLLOWING the election of the officers of the Allied Van Lines, Inc., of the National Furniture Warehousemen's Association, at the National's summer convention, announcement is made by Martin H. Kennelly, Chicago, AVLInc's president, that Catherine K. Lynn has been appointed manager of the eastern office, at 2067 Broadway, New York City. She succeeds Robert H. McCloskey, who managed the office at the time it was operated as the eastern branch of the National's inter-city removals bureau, before AVLInc was organized.

Miss Lynn comes to the National with ten years of executive experience in the long distance moving field and is conversant with competitive practices in this branch of the business.

"Two Bits" Contributions

Enable Ye Ed. to Fill Page

(Concluded from page 30)

yet. Step over to Chi. to this office I'm sitting in, where it is so hot that all my ideas (sh! they aren't many) are just naturally melting & oozing right out the ends of my finger tips.

"Looking at that salutation 'Hon.'—you can interpret that any way you want to. It might be Honey, Honorable, Honest, *Honi soit qui mal y pense* (that's a hot* one), Honk or Honduras.

"But what we started to talk about was the heat. Just think, old salt & peppah—by the time you write September *Two Bits* it will have went away (the heat, I mean) & you will be looking over last winter's suit to see how many chunks Nella, Liela & Zella's** descendants have taken out of it & wondering whether it will get by & hold together for another winter.

"Also you will be getting ready for the opening of the shows that will come & go faster than your head will swim for awhile. Pleasant thoughts, what? Moth holes, swimming heads, & what to put in the next issue of *Two Bits*.

"We hope you won't take offense at our writing to you on this yellow paper but we can reach this from where we sit, & gosh, it's too hot to riz up & reach for the pretty paper. Anyhow, yellow is easy on the eyes. That's the reason they made goldenrod the national flower.***

"That Gordon water you spoke of—where do you get that?**** Have inquired everywhere around here & they never heard of it. Could I have some imported from Gotham in a stove or a davenport, dyo suppose?

"Well, brother, just writing to you has calmed my sizzled nerves so maybe I can get a little work done now. Thanks for that *Two Bits* page—I couldn't get through the hot season without it. That & buttermilk. Toodle oo!"

*If it is, Ye Ed. disclaims all responsibility for any unexpurgated translation which any storager or stenographer may happen to get out of it.

**Pellionella, Biselliela & Tapetzella, our 3 lady moth-detectives who failed to discover when & where the convention of the Nat'l Assoc'n for the Protection of Moths in Storage was to be held.

***The author of the letter is misinformed. He is thinking of Pillsbury's.

****Why not try W. A. Gordon, the Omaha storager?

Elimination of Rats

Warehousemen whose plants may be invaded by rats should find helpful the United States Public Health Service's new Bulletin No. 180, "The Rat," containing arguments for the rodent's elimination and methods for its destruction. Price 5 cents. Address Superintendent of Documents, Government Printing Office, Washington, D. C.

Ready for Work —In Any Season

YOUR profits come from the ability to keep vehicles moving—mileage output. In your business, an inactive truck is usually a dead loss.

Speed Wagon power is ready to serve you at any hour of the day or night—in any season. For the 6-cylinder Speed Wagon engine, with its turbulence-type cylinder head, is famous for its dependable, economical action. There's speed, too, that enables a Speed Wagon to pass two traffic lights while an ordinary truck is passing one. Exceptional sturdiness keeps Speed Wagons going at a faster, surer pace for longer years. Magazine chassis lubrication—automatic in action—adds still more years to Speed Wagon long life.

If you've been worried by lay-ups or slow movements, Speed Wagons will solve your problem. Try one out today—start it, step on it, stop it, park it.

REO MOTOR CAR COMPANY, Lansing, Michigan

JUNIOR—Capacity $\frac{1}{2}$ ton
115-in. wheelbase,
Chassis \$895

TONNER—Capacity 1 ton
123-in. wheelbase,
Chassis \$995
138-in. wheelbase,
Chassis \$1075

SENIOR—Capacity 3 tons
175-in. wheelbase,
Chassis \$2090

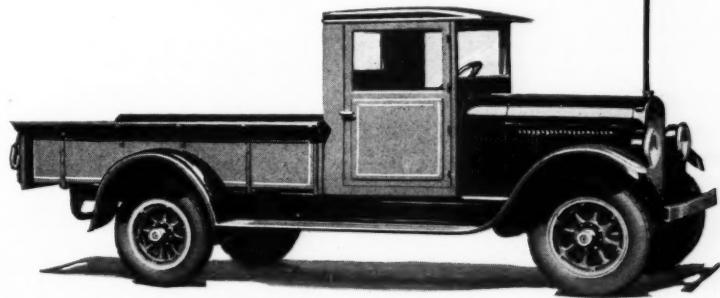
STANDARD—Capacity
 $\frac{1}{2}$ tons
133-in. wheelbase,
Chassis \$1245
148-in. wheelbase,
Chassis \$1345

GENERAL UTILITY
Capacity $\frac{1}{2}$ tons
143-in. wheelbase,
Chassis \$1345

Chassis Prices at Lansing

HEAVY DUTY
Capacity 3 tons
159-in. wheelbase,
Chassis \$1985
130-in. wheelbase,
(Dump) \$1935

MASTER—Capacity 2 tons
148-in. wheelbase,
Chassis \$1545
164-in. wheelbase
Chassis \$1645



SPEED  **WAGON**
Powered with 6-Cylinder Motors

Construction, Removals, Purchases and Changes

Alabama

MOBILE—United States Emergency Fleet Corp. has begun construction of a \$15,000 warehouse on Blakely Island.

Tuscaloosa—Tuscaloosa Ice & Cold Storage Co. plans to spend \$50,000 on extensions and improvements in its cold storage warehouse and ice plant.

California

Fresno—Eagle Transfer & Storage Co. has taken over under lease from the United Warehouse Co. a warehouse which, located at 745 H Street, contains about 20,000 square feet of floor space.

Fresno—United Warehouse Co. has plans for a \$40,000 one-story warehouse, 78 by 150 feet, at 330 O Street.

Los Angeles—American Storage Warehouse Co. has completed a 13-story warehouse, with set-backs giving a pyramid effect, at Beverly and Westmoreland Boulevards.

Los Angeles—Los Angeles Compress & Warehouse Co. will construct a \$225,000 cotton warehouse, 220 by 750 feet, at Los Angeles Harbor to handle increased movement of the commodity through the port.

Pasadena—R. C. Merryman has purchased the interests and properties of the Sierra Storage & Van Co.

San Francisco—Chamber of Commerce and Foreign Trade Club are sponsoring a project for a waterfront cold storage warehouse and terminal, largely for produce service, at an estimated cost of \$2,000,000.

San Francisco—Western Pacific Railroad Co. plans to spend \$400,000 erecting warehouse and terminal buildings in the vicinity of Islais Creek, as part of a \$25,000,000 construction program.

Watsonville—Apple Growers' Storage Co. has approved plans for a \$200,000 cold storage warehouse, on Beach Road, to contain 150,000 square feet of floor space.

Canada

Ontario, Toronto—Toronto Terminal Railway Co. has awarded a contract for a \$500,000 three-story and basement warehouse and terminal, 50 by 600 feet, at York and Station Streets.

Colorado

Boulder—Hygienic Ice & Fuel Co. is considering construction of a \$55,000 cold storage warehouse.

Delaware

Dover—Delmarva Warehouses, Inc., is the new name of the company, Dover Warehouses, Inc., recently organized to take over property on William Street.

Florida

Clearwater and St. Petersburg—St. Petersburg Cold Storage Co. has plans for two cold storage warehouses—a one-story unit, 50 by 100 feet, in Clearwater, and a four-story building, 100 by 125

feet, in St. Petersburg. The two together will cost about \$300,000.

Miami—Clyde Steamship Co. has preliminary plans for a cold storage warehouse at Pier 2. The first unit will cost \$65,000.

Miami—John E. Withers Transfer & Storage Co., Inc., is planning a \$50,000 warehouse.

Palm Beach—Merchants & Miners Transportation Co. has arranged with the Lake Worth Inlet Commission for erection of a warehouse and terminal shed to cost about \$60,000.

Tampa—Tampa Union Terminal Co. will build a \$3,000,000 8-story cold storage terminal and waterfront warehouse on a 10-acre tract south of the municipal docks.

Georgia

Atlanta—Anderson, Clauton & Co. have purchased the controlling interest in the Southeastern Compress & Warehouse Co. for a cash consideration of \$4,000,000. Included in the deal are plants in Albany, Macon, Athens, Savannah and Columbus and other Georgia cities and Montgomery, Dothan, Opelika and Troy, Ala.

Atlanta—Atlanta, Birmingham & Coast Railway Co. has filed plans for a \$21,000 1-story warehouse, 50 by 120 feet, on Haynes Street.

Marion—Atlantic Ice & Coal Co. has approved plans for a \$25,000 1-story cold storage warehouse.

Illinois

Chicago—Acme Storage Warehouse, Inc., has filed notice of reduction in capitalization from \$25,000 to a nominal \$1,000.

Chicago—Tuthill Warehouse & Forwarding Co. has dissolved.

Chicago—United States Cold Storage Corp., operating in Chicago and Kansas City, has filed notice of increase in capital from 14,000 to 50,000 shares of stock.

Huntington—Wabash Railroad Co. has approved plans for a \$50,000 1-story warehouse and freight building, with passenger station.

Michigan City—Haviland Transfer & Storage Co. has purchased a new 1-ton G. M. C. truck.

Washington—Daniel A. Tucker has purchased the business and equipment of the Washington Transfer Co. from Robert N. Kuhn. Established in 1900, the firm does a merchandise and household goods warehousing business.

Kentucky

Louisville—Pickrell & Craig Co., Inc., has filed plans for a \$40,000 2-story warehouse and trucking building, 80 by 160 feet, at Floyd and Main Streets.

Maryland

Baltimore—Western Maryland Railway Co. will erect a 2-story merchandise warehouse in connection with a pier being built at the foot of McComas Street.

Mississippi

Crystal Springs—Southern United Ice Co. has plans for a \$50,000 2-story cold storage warehouse.

(Continued on page 70)

New Incorporations

Within the Industry

Alabama

BIRMINGHAM—White Transfer & Storage Co., Inc. Authorized and paid capital, \$2,000. Incorporators, Mrs. Lillian White, S. B. White and C. G. White.

California

Brawley—Brawley Transfer & Storage Co. (organized), 132 North Sixth Street, Partners, Harold E. Hubbard, Brawley, and Joseph H. Bailey, California.

Independence—Mount Whitney Packing & Cold Storage Co. Capital, \$50,000. Incorporators, George P. Pfirrmann and Herman F. Pfirrmann, Los Angeles.

Los Angeles—Blue Line Transfer Co. (organized), 672 West 35th Street.

Indiana

Evansville—Evansville Terminal & Warehouse Co. To own and operate a river and railway terminal and to handle freight business. Capital stock, \$200,000. Incorporators, W. C. Kelly, G. E. Kelly, Patrick Calhoun, Jr., and Henry B. Walker.

Indianapolis—Nashville Warehouse & Elevator Corp., established in Nashville, Tenn., in 1882, has incorporated under the laws of Indiana with Marvin Scales, Indianapolis, as its Indiana agent. Capital stock represented in Indiana, 300 shares of no par value common and \$200. Objects, engaging in general warehouse and elevator business for the handling of grain, cotton and other articles of merchandise.

Indianapolis—Rosner Transfer & Storage Co. Capital, 250 shares of common stock, no par value. Incorporators, Morris C. Rosner, Portia Duncan and Henry Rosner.

Morristown—Morristown Transfer Co. Capital stock, 100 shares of no par value. Incorporators, Russell R. Handy, Walter R. Kemper and Clarence J. Hill.

Illinois

Chicago—Warehouse Securities Corporation. Nominal capital, \$1,000. Incorporators, Roy C. Griswold, president of Griswold & Walker, Inc., and H. Collins Ray and E. A. Baker.

Massachusetts

Ayer—Nashoba Cold Storage Co., Inc. Cold storage warehouse. Capital, \$100,000. Howard P. Gilmore is president and John E. Rice of Marlboro is treasurer.

Haverhill—Essex Motor Express, Inc. Motor express and transfer. Capital, \$10,000. Spiros Malakos is treasurer.

Michigan

Ann Arbor—Leslie Cartage Co., Inc. General warehousing and trucking. Capital, \$40,000. Incorporators, Clarence W. Gilman and Elmer D. Leslie.

Missouri

Excelsior Springs—Excelsior Ice Co. Cold storage warehouse and ice. Capital (Continued on page 70)



"A NAME WELL KNOWN!"

DEPENDABLE VANS

*increase the radius of service
and enlarge profits*

Modern distribution demands a Van that will haul heavy loads over long distances, at high speeds. Here is a Van that will do this and do it easily and economically—A Van, Beautiful and Sturdy in appearance—and just as Outstanding in Performance as it is *Distinctive in Appearance*.

The frame construction is different—lower, stronger, and better; the springs are different—two stage progressive type—cushioning the load at all times; the front spring linkage is different—preventing wheel wobble and shimmy, insuring safety and an ease of control at all speeds.

All of these and others are features of Gramm construction—developed by an intimate contact with many Van operators and a true understanding of their hauling problems.

Write for literature explaining in detail the new and better Gramm Van construction—and remember Gramm builds Van Bodies, too. Our body department is ready to assist in designing and developing a body that will suit your particular requirements.

Let us hear from you!

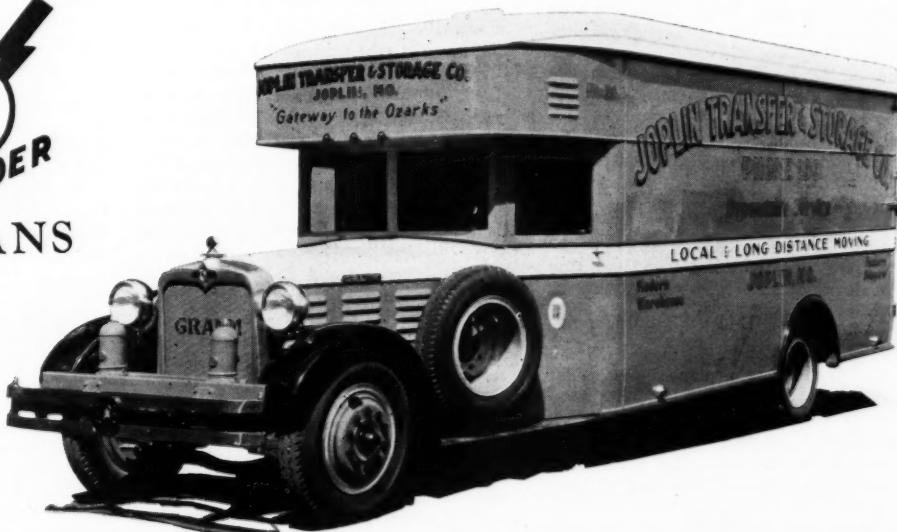
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BUILDERS OF FINE MOTOR TRUCKS AND COACHES

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6 CYLINDER
VANS



Powerful and Fast — Built to Last!

Construction, Removals, Purchases and Changes

(Continued from page 68)

Mississippi

Goodman—Goodman Ice Co. has approved plans for a \$25,000 cold storage warehouse and ice plant.

Jackson—Southern United Ice Co. plans to erect a \$50,000 2-story cold storage warehouse.

Missouri

St. Louis—Market Development Corp. is having plans drawn for a \$200,000 cold storage warehouse.

Nebraska

Aurora—Peter Oberg, truckman, has purchased property on 12th Street and plans construction of a merchandise distribution warehouse, 66 by 100 feet.

Nevada

Reno—Consolidated Warehouse Co. has plans for a \$27,000 2-story warehouse.

New Jersey

Newark—New Jersey Forwarding Co. is planning construction of a 5-story and basement warehouse on a site recently acquired at 203-213 Delancy Street. The building will cost \$150,000.

New York

New York City—Lehigh Valley Railroad Co. has awarded a general contract for the construction of a \$10,000,000 10-story warehouse and terminal at Gerard Avenue and 144th Street.

New York City—Republic Storage Co., Inc., has taken over under lease the building, containing 116,000 square feet, at 445-457 West 31st Street, running through to 374 10th Avenue, and will occupy the major portion of it for warehousing purposes. The lease is for twenty-one years at a gross aggregate rental of \$700,000.

Queens, L. I.—Lenihan's, Inc., is the new name of Lenihan's Corona Warehouse, Inc.

Syracuse—Flagg Storage Warehouse Co. has completed plans for a \$150,000 5-story addition.

North Dakota

Fargo—Northern Pacific Railway Co. has revised plans for a \$50,000 addition to its storage warehouse and terminal.

Ohio

Cincinnati—Cincinnati Railway Terminal Development Co. has plans under way for a \$500,000 storage warehouse and terminal.

Cleveland—Cleveland Railway Harbor Co. has under way plans for an 8-story terminal warehouse at the foot of East 55th Street, to cost more than \$15,000,000. Both cold and dry story facilities will be provided. Moores & Dunford, Inc., New York, engineers.

Cleveland—New York, Chicago & St. Louis Railroad Co. has completed plans for a \$125,000 1-story warehouse and terminal on Croton Avenue.

Cleveland—Nickel Plate Development Co. has plans under way for a \$150,000 1-story warehouse, 50 by 260 feet, at Central Avenue and Commercial Road.

Cleveland—Northern Ohio Food Terminal Co. has taken out a permit for erection of the first unit of a \$350,000 warehouse and terminal project on Croton Avenue. The first building will be two stories high, 100 by 475 feet.

Newark—Pennsylvania Railroad Co. has authorized plans for a \$60,000 warehouse and freight terminal between 5th and 6th Streets.

Toledo—A. B. C. Trucking & Storage Co. has completed plans for an \$80,000 4-story warehouse.

Pennsylvania

Philadelphia—E. A. Hopper, local architect, is preparing plans for a \$160,000 multi-story warehouse, to contain 75,000 square feet of floor space, at 6th Street and Glenwood Avenue, for a company whose name is temporarily withheld.

Philadelphia—Fenton Storage Co. has awarded a general contract for the construction of a \$375,000 4-story and basement warehouse, for storage of merchandise and automobiles, on Girard Avenue near 44th Street. The building will be 112 by 130 feet and will have a siding.

Philadelphia—Joseph J. Greenberg has purchased from the American Ice & Coal Co. its Schuylkill River properties at 26th and Spruce Streets and plans to improve it with a modern fireproof warehouse.

Pittsburgh—Pennsylvania Railroad Co. is constructing an \$85,000 warehouse on Pike Street near 16th Street.

Pittsburgh—Pennsylvania Transfer Co. has filed plans for an \$80,000 1-story garage and service building on Main Street.

Tennessee

Knoxville—Atlantic Ice & Coal Co. (Atlanta, Ga.) has approved plans for a \$100,000 cold storage warehouse.

Knoxville—Realty Storage Co. is erecting a \$22,000 2-story brick warehouse at Grand Avenue and 20th Street.

Memphis—Memphis Cold Storage Co. has awarded a contract for remodeling its cold storage refrigeration power room so as to afford additional space. The work will cost about \$20,000.

Dallas—Texas Ice & Cold Storage Co. has been acquired by the Central West Public Service Co. of Omaha, Neb., which plans extensive expansion to be financed through a \$2,050,000 bond issue.

Houston—Houston Compress Co. has arranged for increase in capital from \$4,200,000 to \$4,600,000, a portion of the proceeds to be used for expansion.

San Angelo—Texas Compress Co. is planning a warehouse and compress on an 8-acre tract, the initial unit to cost \$75,000.

Virginia

Arrington—Arrington Cold Storage Corp. is planning construction of a \$50,000 cold storage warehouse.

(Concluded on page 72)

New Incorporations

Within the Industry

(Continued from page 68)

not stated. Incorporators, Leo Keck of Excelsior Springs and L. H. Carr of Kansas City.

New Jersey

Elizabeth—Meister Brothers Transportation Co. Motor trucking service, packing and shipping. Capital, \$125,000. Incorporators, Edward F. Meister and George J. Meister.

Newark—Hawthorne Moving Co., Inc. Warehousing and van service. Capital, 2,000 shares of stock, no par value. Incorporators, Louis Mendel, Harry Mendel and Jacob Fox.

Weehawken—New York & Albany Lighterage Co. Forwarding, lighterage and trucking. Capital, 500 shares of stock, no par value. Incorporators, Stephan K. Sullivan and James E. Hams.

New York

Ithaca—Horseheads Co-Operative G. L. F. Service, Inc. Storage warehousing and trucking. Capital, \$15,000.

Jamaica, L. I.—Queensboro Storage Warehouse of Jamaica, Inc. Capital, \$5,000. Frank E. Holmes is manager.

New York City—Columbia Moving Co. Van service and trucking. Capital, \$10,000. Incorporator, M. D. Sado.

New York City—Golden Transfer Co. Transfer and express. Capital, \$10,000. Incorporator, Philip Rabinowitz.

New York City—Hub Furniture Warehouse Co. Storage warehousing. Capital, \$5,000. Incorporator, S. L. Marcus.

New York City—Kosters Transfer, Inc. Transfer and express. Capital, \$10,000.

Rockville Center, L. I.—Nassau Terminal Corporation. Storage warehouse, freight and transfer. Capital, 100 shares of stock, no par value. S. D. Ward, Hempstead, is the principal incorporator.

North Carolina

North Wilkesboro—Pure Ice Co. Cold storage warehouse and ice. Capital, \$100,000. Incorporators, W. A. McNeill and C. D. Coffey, Jr.

Warsaw—Warsaw Ice & Fuel Co. Cold storage warehouse and ice. Capital, \$50,000. Incorporators, I. F. Chandler and L. T. Clark.

Ohio

Canton—The K. B. Trucking Co. General haulage and trucking business. Capital, \$40,000. Incorporators, William E. Hunger, Frances E. Mitchell and Margaret Fahey.

Cincinnati—Cincinnati, Indianapolis & Richmond Transportation Co. Local and inter-city transport of freight. Capital, \$50,000. Incorporators, F. L. Emmons, H. C. Junghaus and C. W. Solsman.

Cleveland—Miles Heights Trucking Co. Storage, haulage and trucking business. Capital, \$25,000. Incorporators, Russell A. Schultz, Arthur S. Griffith and L. A. Kundtz.

(Concluded on page 72)

10,000 POUNDS MORE PAY LOAD



with the
UTILITY
6-Wheel Unit!

Showing
"Utility" Unit applied
to rear
of 5-ton Mack Truck

TAKE more than one-third of the load off the drive axle by applying the UTILITY 6-WHEEL UNIT, thereby eliminating danger of sidewalk and driveway breakage. More than half the states now allow approximately 50% more load on 6-wheel vehicles than on four-wheelers, with other states preparing similar laws for highway protection!

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326 North Central Avenue
William Schukraft & Sons Chicago
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Rates \$2.50-\$4.00 a Day
No Higher
Special Permanent Rates



Hotel Eastgate

Construction, Removals, Purchases and Changes

(Continued from page 70)

Virginia

Lynchburg—H. B. Andrews has received permission to operate a motor freight line from Lynchburg to Cullen and plans warehousing and distributing facilities.

Newport News—Chesapeake Transfer & Storage Co. has been granted permission to operate a motor freight line between Newport News and Old Point Comfort, and is planning expansion including warehouse and terminal buildings.

Norfolk—Hampton Roads Transportation Co. has been given permission to operate a motor freight line from Norfolk to Newport News by way of Portsmouth and Churchland and plans to develop warehouse and transport facilities.

Richmond—Richmond-New York Steamship Co. has awarded a contract for a \$100,000 terminal and storage warehouse building at Water and Ash Streets.

Roanoke—People's Ice & Storage Co. has approved plans for a \$125,000 7-story cold storage warehouse and ice plant, 150 by 150 feet.

West Virginia

Logan—Serv-Ice & Storage Co. has arranged for the purchase of the Madison Ice & Storage Co. and the Logan Ice & Storage Co. and will consolidate, with an expansion program planned.

Wisconsin

Milwaukee—Wisconsin Cold Storage Co. has let contracts for the construction of an 8-story addition to its plant at 178 Florida Street, bringing the firm's total capacity up to approximately 1,000,000 cubic feet.

U. C.'s New Oakland Plant

The new household goods depository erected at 46th Street and Shattuck Avenue, Oakland, Cal., by the U. C. Express & Storage Co., Berkeley, and which was illustrated in the July issue of *Distribution and Warehousing*, is a steel and concrete structure five stories high with a 50 by 80-foot piano room occupying the mezzanine floor. It covers 50 by 100 feet and contains approximately 25,000 square feet of floor space.

To carry out the fireproof construction of walls, roof, partitions and floors, the window frames and all doors except one are of steel, while the desks, filing cabinets, chairs and other equipment of the office are of the same metal. The one wooden door is at the large ornamental entrance to the building.

The first floor is occupied largely with offices and rooms for heavy furniture. The mezzanine is filled with the piano room. On other floors will be rooms especially designed for the storage of rugs, Chesterfields, and trunks, with a mothproofing vault. The steel vault for valuables is on the first floor, directly in front of the plate glass window.

There are two large elevators, one for passengers or household goods and the other for household goods only. Pianos are handled into and out of the mezzanine on a long ramp and by elevator. Lift vans are used extensively by the company in connection with its fleet of fifteen large motor vans and trucks, some of which are among the largest of their kind on the Pacific Coast. One of the vans handles eleven rooms of household goods at a load.

Investment in the new building is \$100,000.

Public Grain Warehousing Plan in Chicago Is Rejected

The Illinois Commerce Commission has rejected an application by the Chicago Board of Trade to establish a warehousing corporation which would contribute elevator space for public grain in the Chicago market.

Grain growers had told the Commission that the project was directed toward elimination of grain scandals and to remedy the present grain storage system.

Holders of receipts for grain in public warehouses have been notified to continue to record them with the Board of Trade custodian.

'Frisco Cold Storage Urged

Proposing a \$2,000,000 cold-storage terminal and warehouse, to be privately owned and operated on the waterfront, the San Francisco Chamber of Commerce and the Foreign Trade Club of that city have petitioned the Board of State Harbor Commissioners, which has control and operation of the port, to consider such a project with a view to early completion.

The plan, which has the backing of a large number of firms and commercial organizations, united under the leadership of the two associations mentioned, comprehends a "refrigerating plant and warehouse for storage of California fruits and other perishables, as the key to California's future foreign export trade, and the greatest necessity of the port of San Francisco.

A warehouse to cost not less than \$2,000,000, with a corresponding refrigerating plant, built either on a present wharf or on an entirely new pier, offering refrigeration and storage, under private operation but with State supervision, for perishables for foreign, domestic and local water-borne traffic, is proposed.

R. T. Kent with Divine Co.

Robert Thurston Kent, New York, has been engaged by the Divine Brothers Company, Inc., Utica, N. Y., manufacturers of canvas cushion truck wheels, as manager of the sales and engineering departments. Mr. Kent is an engineer of international standing and the author of a book which is known in the engineering world as "the engineer's Bible."

New Incorporations

Within the Industry

(Concluded from page 70)

Ohio

South Park—South Park Trucking Co. Haulage and trucking business. Capital, 100 shares of no par value stock. Incorporators, D. T. Miller, Tressa Bate-man and A. Davidson.

Toledo—Frank Cartage Co. Storage and general hauling. Capital, 100 shares of stock of par value of \$100 each. Incorporators, William L. Dorothy and Norman Frank.

Toledo—Merchants and Manufacturers Warehouse Co. Capitalization, 250 shares, no par value. Incorporators, Frank E. Miller, Stuart S. Wall and J. H. Beatty.

Warren—B. & L. Motor Freight Co., Inc. Transfer and haulage of freight and merchandise. Capital, \$25,000. Incorporators, Paul L. Britton, Glenn F. Lytle and F. P. Schmitt.

South Carolina

Martins Point—Davis Motor Truck Transfer Co. Motor freight service and transfer. Capital not stated. Incorporators, Charles F. Davis and Ralph Davis.

Texas

Amarillo—Consumers' Ice Co. Cold storage warehouse and ice. Capital, \$750,000. Principal incorporator, Alexander Davidson.

Pyote—Southern Ice & Utilities Delivery Co. Cold storage warehouse and ice. Capital not stated. Incorporators, W. G. Saunders and L. R. Hogg.

Washington

Tacoma—Pacific Storage Warehouse & Distribution Co. is the newly-incorporated name of the Pacific Storage & Transfer Co., Inc., established in 1907. The capitalization of the new corporation is \$20,000.

West Virginia

Moundsville—City Ice & Fuel Co. Cold storage warehouse and ice. Capital, \$25,000. Incorporators, Parry Miller and C. F. Roberts.

A. J. Gatter Heads New Firm

Arthur J. Gatter, formerly with the Birch-Smith Fireproof Storage Co., Los Angeles, and who is a past president of the Pacific Coast Furniture Warehousemen's Association, heads a new firm in Riverside—the Gatter-Widenham Transfer & Storage Co.

The new concern has purchased the Ables Transfer Co., 723 West 10th Street, and Corrington's Transfer & Storage, 795 Orange Street, and has consolidated them, with its office at the Orange Street address.

New York Traffic Club Moves

The Traffic Club of New York has removed from the Waldorf-Astoria Hotel to the Park Central Hotel, at 7th Avenue and 55th Street, a location farther uptown.